

FBIS

DAILY REPORT

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China

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CONTINUED REPORTAGE ON REAGAN'S PRC VISIT

TV Covers Hu, Zhao Meetings

HK271524 [Editorial Report] Beijing Television Service in Mandarin at 1100 GMT on 27 April begins its regular evening news broadcast with a male announcer reading the news headlines, which includes the headline "General Secretary Hu Yaobang Meets President Reagan; Premier Zhao Ziyang Holds the First Round of Talks With President Reagan; President Li Xiannian and His Wife Lin Jiamei Give a Banquet in Honor of President Reagan."

The newscast's first item is a 2-minute filmed report on CPC General Secretary Hu Yaobang meeting U.S. President Ronald Reagan at the Great Hall of the People on 27 April. The second item in the newscast is a 4.5-minute filmed report showing PRC Premier Zhao Ziyang holding the first round of talks with President Reagan at the same hall on 27 April. The third item is a 3-minute filmed report which shows PRC President Li Xiannian and his wife feting President Reagan at the Diaoyutai State Guest House the evening of 26 April. The fourth item is a 0.5-minute filmed report showing Reagan giving a lecture at a meeting sponsored by the Chinese Scientists Association and other organizations at the small auditorium of the Great Hall of the People on 27 April. The fifth item is a 1.5-minute filmed report on Mrs Reagan attending a ceremony at the gate of the panda house of the Beijing Zoo to donate to China a check on behalf of American children and two jeeps on behalf of a U.S. company.

The first filmed report begins with a shot of CPC General Secretary Hu Yaobang shaking hands with President Reagan and then with Secretary of State Shultz in a reception room in the Great Hall of the People. The camera cuts to a close-up shot of Hu and Reagan sitting in armchairs and talking with one another. While they are talking with each other, the camera pans and gives random shots of U.S. and Chinese officials sitting in armchairs and listening to Hu and Reagan. It also zooms in to give close-up shots of Shultz and Chinese Foreign Minister Wu Xueqian. The first filmed report ends with a zoom-out shot of the reception room with Reagan and Hu sitting in the center.

The second filmed report, which shows Premier Zhao Ziyang holding the first round of talks with President Reagan, contains shots of Zhao shaking Reagan's hands with both his hands in a room in the Great Hall of the People under the cameras of two reporters; Zhao shaking hands with Shultz and three other unidentified U.S. officials; Zhao, Wu Xueqian, and about 10 other Chinese officials sitting at a long table opposite and talking with Reagan, Shultz, and about 10 other U.S. officials. While the announcer is reading a summary of the content of the talks throughout most of the filmed report, the camera pans and gives long shots of the reception room, the Chinese and U.S. officials sitting at the table, and some 30 Chinese and foreigners standing along the wall behind Zhao and other Chinese officials. It also zooms in to give several close-up shots of Zhao and Reagan and to show Shultz sitting by Reagan's left side and Wu sitting by Zhao's left side. According to the announcer, the talks were held both in the morning and afternoon.

The third filmed report, which shows Mr and Mrs Li Xiannian (wearing sunglasses) feting Reagan, begins with a shot of Li Xiannian, Reagan, Zhao Ziyang, Shultz and PRC Vice President Ulanhu entering a banquet hall in the Great Hall of the People and taking their seats at the head table.

Then, the camera cuts to a close-up shot of Li addressing the guests. He is voiced over by the announcer, who reads a summary of his speech. Next, Reagan is seen in a close-up shot addressing the guests; he is also voiced over by the announcer, who reads a summary of his speech. While they are speaking, the camera gives random shots of Reagan listening to Li; Li listening to Reagan; and Zhao, Shultz, Ulanhu, Wu Xueqian, Mrs Reagan, Mrs Li, and Chinese State Councillor Ji Pengfei sitting at the head table and listening to Li and Reagan. It also shows other unidentified Chinese and foreigners sitting at about a dozen round tables listening to Li and Reagan. The film ends with a shot of Reagan exchanging toasts with Li and Zhao.

The fourth filmed report is a short clip containing shots of some 400 Chinese rising up from the stalls of the small auditorium of the Great Hall of the People and exchanging applause with Reagan and other U.S. and Chinese officials who are seen on the platform, and Reagan standing in the middle of the platform and speaking to the audience.

The fifth filmed report, which shows Mrs Reagan donating in a ceremony a check for \$13,000 and two jeeps to China to help China rescue the pandas, begins with a shot of Mrs Reagan, President Li Xiannian's wife Lin Jiamei, and several Chinese officials and children walking into the site of the ceremony -- an open place with a flower bed before the panda house at the Beijing Zoo -- and exchanging applause with some 200 Chinese people and children. A jeep is seen by each side of the gate of the panda house with a dozen children on each of them. Then, Beijing Zoo Director (Li Yangwen) and Mrs Reagan are seen addressing the participants in the ceremony. At the end of Mrs Reagan's speech, she presents a check to Dong Zhiyong, vice president of the China Wildlife Conservation Association. After this, Dong is seen addressing the participants. While he is speaking, the camera gives close-up shots of Mrs Reagan and Lin Jiamei, who are listening to Dong. At the end of Dong's speech, he is shown presenting to Mrs Reagan two dishes as a present to her and a box of medals as a present to American children. Next, Director (Li Yangwen) presents a picture book about pandas to Mrs Reagan. The filmed report ends with a shot of Mrs Reagan talking with several Chinese who take care of pandas and Mrs Reagan patting a young panda.

Report on Great Hall Meeting

HK280646 [Editorial Report] Beijing Television Service in Mandarin begins at 1315 GMT on 27 April, following the conclusion of a regularly scheduled program "Around the World: The History of American Agriculture," broadcasts a 25-minute recorded speech by U.S. President Ronald Reagan, delivered at a meeting held on the afternoon of 27 April in a small auditorium of Beijing's Great Hall of the People. The meeting is jointly sponsored by the China Association for Science and Technology, the Chinese People's Institute of Foreign Affairs, the Institute of International Affairs, the Institute of American Studies under the Chinese Academy of Social Sciences, and the Chinese Enterprise Management Association. Chinese and American national flags are shown hanging on the wall behind the rostrum. An estimated several hundred people attend the meeting.

The film begins with a long shot of the auditorium where the meeting is being held. After that, Reagan, Shultz, and other American officials are seen entering the auditorium in the company of some Chinese officials. Zhou Peiyuan, chairman of the China Association for Science and Technology, is then seen "presiding over" the meeting. After giving a brief opening speech, he invites Reagan to deliver a speech.

The audience applauds as Reagan walks toward the platform. Reagan is heard speaking a few sentences of the beginning of his speech. The Reagan's voice fades into the background as the speech is simultaneously translated into Mandarin and read by a female announcer.

As Reagan speaks, there are random shots of people in the auditorium listening to the speech and reading documents. There are also medium and close-up shots of some Chinese and American officials sitting on the rostrum, including Zhou Peiyuan; Shultz; Arthur Hummel, Jr.; Zhu Muzhi, Chinese minister of culture; Zhang Wenjin, Chinese ambassador to the United States; and others.

Reagan's speech is interrupted several times by applause. As he speaks, he is shown in medium and close-up shots from different angles.

Some unidentified foreigners are also seen attending the meeting. All participants applaud again as Reagan ends his speech.

After the speech, the station immediately returns to its regularly scheduled cultural program, "Flower Garden".

TV Carries Reagan Speech

HK300910 Beijing Domestic Television Service in Mandarin 1315 GMT 27 Apr 84

[Speech by U.S. President Ronald Reagan, delivered in Beijing's Great Hall of the People on 27 April, at a meeting sponsored by the China Association for Science and Technology, Chinese People's Institute of Foreign Affairs, Institute of International Affairs, Institute of American Studies Under the Chinese Academy of Social Sciences, and Chinese Enterprise Management Association; introductory remarks made by Zhou Peiyuan, chairman of the China Association for Science and Technology -- Reagan's speech recorded in English, faintly audible with superimposed Mandarin translation; Zhou's introduction recorded in Mandarin]

[Text] [Zhou Peiyuan] Mr President, ladies, gentlemen, and comrades: I feel extremely honored today to have the chance to introduce President Reagan to our country's economic and trade circles, scientific and technological circles, and academic circles. On behalf of the Chinese Enterprise Management Association, the Chinese People's Institute of Foreign Affairs, the Institute of International Affairs, the Institute of American Studies Under the Chinese Academy of Social Sciences, and the China Association for Science and Technology, I express a warm welcome to President Reagan and other American guests. [applause]

Mr President, nearly all those present here today have taken part in varying degrees in Sino-U.S. economic, trade, scientific and technological, and academic exchange activities. Many of them have been to the United States or have met American counterparts in China. In common with the entire people of China, they are happy to see stable and sustained development of Sino-U.S. relations and look forward to the development to a new level of economic, trade, scientific and technological, and academic and cultural exchanges between the two countries. I now ask Mr President to speak. [applause]

[President Reagan] Thank you very much, thank you very much Dr Zhou Peiyuan and all of you distinguished ladies and gentlemen. I am honored to come before you today, the first American President ever to address your nation in the Great Hall of the People. My wife Nancy and I have looked forward to visiting the people and treasures of this great and historic land, one of the world's oldest civilizations. We have marveled at Beijing's sweeping vistas and we have felt the warmth of your hospitality touch our hearts. We only regret that our visit will be too brief.

I am afraid it will be, as a Tang Dynasty poet once wrote, looking at the flowers while riding horseback. But you have another saying from the book of Han which describes how Nancy and I feel: To see a thing once is better than hearing about it a hundred times.

Twelve years ago, when former President Nixon arrived in Beijing he stepped down from Air Force One and shook hands with former Premier Zhou Enlai. President Zhou would later tell him, your handshake came over the vastest ocean in the world -- 25 years of no communication. With one handshake, America and China each turned a new page in history. I believe that history beckons again.

President Reagan said: We must always be realistic about our relationship, frankly acknowledging the fundamental differences in ideology and institutions between our two societies. Yes, let us acknowledge those differences, let us never minimize them, but let us not be dominated by them. I have not come to China to emphasize what divides us but to expand the basis for unity between us. I have not come to your country to dwell on the closed-door past but to urge that Americans and Chinese look to the future. [applause]

President Reagan said: When Premier Zhao was in the United States, he told us that China has opened its door and will never close it again. Well, permit me to assure you today that America's door is open to you. When you walk through, we will welcome you as our neighbors and our friends. We may live at nearly opposite ends of the world, we may be distinctly different in language, customs, and political beliefs, but on many vital questions of our time, there is no distance between the American and Chinese peoples. Indeed, I believe that if we were to ask the citizens all over the world what they desire most for their children and their children's children, their answer in English, Chinese or any other language: We want peace, we want freedom, we want a better life. Their dreams, so simply stated, represent mankind's deepest aspirations for security and personal fulfillment. We can work together as equals in the spirit of mutual respect and mutual benefit. I believe that in Chinese you say: Hu jing, hu hui.

America and China are both great nations. They have a special responsibility to preserve world peace. To help fulfill that responsibility, the United States is rebuilding its defenses which had been neglected for more than a decade. Our people realize that this effort is crucial if we are to deter aggression against America, our allies, and other friends.

President Reagan said: America's interest in China, our friendship for your people, and our respect for China's many contributions to the progress of civilization date back to the beginning of our own history. You might be interested to know that the personal dinner settings used by our first three Presidents, George Washington, John Adams, and Thomas Jefferson, were of Chinese origin, evidence of our founding fathers' attraction for your country's high artistic standards.

Back in 1784, when the first American trading ship, the Empress of China, entered your waters, my country was unknown to you. We were a new republic eager to win a place in international commerce. A slightly homesick American sailor recorded that first day in a letter home. He wrote: My dear father, if ever you receive this letter it will acquaint you that after a passage of 6 months and 7 days, we came to anchor at Whampoa. The Chinese have never heard of us, but we introduced ourselves as a new nation and gave them our history with a description of our country, the importance and necessity of trade to the advantage of both, which they appear perfectly to understand and wish.

Since those early days our countries have both profited from the exchange of people, goods, and ideas. Chinese immigrants helped to tame our continent during the 19th century. Today their families' descendants join other Americans in cooperating with you to build a new prosperity in China.

President Reagan said: Look around us, the societies that have made the most spectacular progress in the shortest period of time are not the most rigidly organized nor even the richest in natural resources. No, it's where people have been allowed to create, compete, and build, where they have been permitted to think for themselves, make economic decisions, and benefit from the fruits of their own labor that societies have become more prosperous, progressive, dynamic, and free. Nothing could be more basic to the spirit of progress for a farmer, laborer, or merchant than economic reward for legitimate business and honest toil.

A little over a century ago Ulysses S. Grant, who was then a former president, visited your country and saw China's great potential. He wrote: I see the beginning of a change dawning. When it does come, China will rapidly become a powerful and rich nation. The population is industrious, frugal, intelligent, and quick to learn.

Today China's economy crackles with the dynamics of change: The new family responsibility systems, bringing into still greater play the enthusiasm of the peasants; new bonuses for workers; strengthened management in terms of profits and losses; improved methods of market distribution; opening your economy to the world through China's membership in the International Monetary Fund, the World Bank, through your invitation to trade and invest, especially in the four special economic zones, and your commitment to attract capital and science and technology, to create a high technology base for the future -- all this reflects China's new role in the international economic community and your determination to modernize your economy and raise the standard of living of your people.

Unlike some governments which fear change and fear the future, China is beginning to reach out toward new horizons. We salute your courage. [applause]

Progress, Premier Zhao has told us, lies in our efforts to emancipate our thinking in a bold way, to carry out reform with determination, to make new inventions with courage, and to break with all economic molds and conventions of all descriptions which fetter the development of the productive forces. We Americans have always considered ourselves pioneers, so we appreciate such vitality and optimism. Today, I bring you a message from my country. They say, as China moves forward on this new path, America welcomes the opportunity to walk by your side. [applause]

Incidentally, I know Premier Zhao has demonstrated mastery of his subject. When he was directing agricultural policy in Sichuan, the peasants went from food shortages and forced imports to bumper harvests and rising exports. In fact, I am told that due to his outstanding work achievements [gongzuo chengji xianzhu 1562 0155 2052 4921 7359 5511], it is said in Sichuan Province: If you want rice, go see Zhao.

China's growth is in China's hands. You will choose your own path of development. But we are not surprised to see the fresh breezes of incentives and innovations sweeping positive changes across China. We will not be surprised to see the big developments in individual enterprises, large-scale house-building in the countryside, rapid increase in agricultural products, and a big increase in peasant incomes.

These economic growth figures include many instances of the successes gained by individual effort and also reflect this new spirit of progress. Chairman Deng Xiaoping has often said it is necessary to seek truth from facts. In China today more small enterprises are doing thriving business and more households are getting rich through hard work. There is also more investment in science and technology. This shows that everyone has greater opportunity. President Kennedy often described such social progress as a rising tide which lifts all boats.

President Reagan said: I see America and our Pacific neighbors going forward in a mighty cause to build strong economies and a safer world. America and China have a historic opportunity: We can expand economic and scientific cooperation, strengthen ties between our two peoples, and take an important step toward peace and a better life. Our scope for cooperation is very broad. We think progress in four areas is particularly promising: trade, technology, investment, and the exchange of scientific and managerial expertise.

In a few short years two-way trade has risen sharply. America has now become China's third largest trading partner. There are fine future prospects for our bilateral trade, particularly in areas such as machinery, technology, oil equipment, petroleum, agricultural and manufacturing products.

Last June I instructed our government to liberalize controls on the export to China of high technology products, including computers and laboratory instruments. Our policies on technology transfer will continue to evolve along with our overall relationship and the development of broader cooperation between us. May I emphasize to the members of the scientific community here today, the relaxing of export controls reflects my determination that China be treated as a friendly nonallied nation, and that the United States be fully prepared to cooperate in your modernization. [applause]

Reagan said: During Premier Zhao's visit to our country, we took another step forward, signing the United States-China industrial and technological cooperation accord. Our joint commission on commerce and trade will discuss implementation of this accord during their next meeting in Washington in May. We will focus our efforts on the sectors to which China has attached greatest priority. Our trade development program will facilitate our progress.

Expanding cooperative ventures is another area of promising growth. American firms have invested almost \$700 million in joint ventures and in offshore oil exploration, making the United States your largest foreign investor. We welcome your determination to improve conditions for foreign business in China. Streamlining bureaucratic procedures, establishing a more predictable system for investment through domestic legislation and international agreements, reforming prices to make them internationally competitive, and providing foreign business people with the offices, housing, and schools they and their families need to work will stimulate more American investment.

For your part, some 50 Chinese firms have established offices or branches in the United States, and China had invested in several joint ventures in our country. We intend to strengthen these trends. When Treasury Secretary Regan was here last month for the meeting of the Joint Economic Committee, he concluded a bilateral tax agreement. On Monday our two countries will sign this agreement.

I am very pleased to report that this agreement will promote still closer cooperation between Chinese and American firms. And we are continuing to work toward conclusion of bilateral agreements for greater investment protection and many other areas of cooperation.

I am particularly happy that America and China have reached agreement on cooperation in the peaceful uses of atomic energy. As many of you here know, the negotiations between our two countries go back almost to the beginning of my administration. We have held a total of six sessions in Washington and Beijing. We made great progress during Premier Zhao's visit to America, and our negotiations have just now concluded successfully. The result is an agreement for cooperation in the peaceful uses of nuclear energy. I understand that several of the people here have made major contributions to this effort, which meets the requirements of both sides. Once approval is completed, it will open broad opportunities for joint work in the development of atomic energy bases. China needs bases of this kind in attaining modernization. Scientists, engineers, business leaders, and officials of both countries interested in the peaceful uses of nuclear energy will welcome this agreement. China has one of the world's most ambitious plans for expansion of electric power generation, and I believe that America's energy technology, not just in nuclear energy but across the board, is second to none, and perhaps most suitable for meeting China's varied needs.

We have noted recent statements on China's nonproliferation policy, particular those by Premier Zhao in Washington and Beijing over the past several months. Premier Zhao and I discussed these matters directly. I can tell you that our countries share the same basic principles. Neither of our two countries will encourage proliferation, nor will they assist any country in acquiring or developing any nuclear explosive device.

President Reagan said: There is also great potential in our joint efforts to improve economic managerial expertise and specialized science and technology. I know that many here today have heard through the press and radio about the outstanding achievements of the nine month training course in management of industry, science, and technology at Dalian. More than 750 graduates have received training in modern methods of industrial management. I have been told that some of your are graduates of that program. I am delighted to announce that we have agreed to establish a special new program there, offering a full 3-year master's degree in business administration. This degree will be awarded by the State University of New York.

We are happy to share with you the knowledge that is America's key technology, the management science skills to develop a nation. The Joint Commission on Science and Technology is responsible for carrying out a very productive agreement. According to this agreement, the two countries will carry out exchanges in 21 specific areas. We are sharing the benefits of research in medicine, energy, and other technical fields. Our scientists are learning a great deal from each other in public health, agricultural sciences, and many other areas.

Men and women of vision already point out that working in the zero gravity environment of space offers dazzling opportunities to improve life on earth. Experiments done on our space shuttle have shown that life-saving medicines can be manufactured in space with four times the purity of the same medicines on earth, and they can be made over 400 times more rapidly. So, 1 month's production of medicine in space yields as much as 30 years' production on the ground. We also look forward to being able to manufacture large crystals of exceptional purity in space. These crystals are the basis of the semiconductory chips which run modern computers.

By manufacturing them in zero gravity we can make new strides toward producing larger, faster computers, the so-called super computers, and ultimately reduce the production costs of computers. [applause]

Reagan said: In the humanities and social sciences, hundreds of American and Chinese scholars have visited each other's countries to teach and study subjects ranging from law and economics to poetry and history. For our part, we welcome this new Pacific tide. Let it roll peacefully on, carrying a two-way flow of people and ideas that can break down areas of suspicion and mistrust and build up bonds of cooperation and optimism.

The future is ours to build. Surmounting the risks and the fears of some may be difficult, but I am convinced the challenge is worth it. The greatest victories come when people dare to be great, when they summon their spirits to brave the unknown and go forward together to reach a greater good.

So often we see individual actions of courage and love in everyday life that give us faith to believe in ourselves and hope for a better future. In 1981 a bright young American student, John Zeidman, came here to study China and to seek new friends. He was a boy of great heart and enthusiasm. Riding a bicycle through the Beijing streets and conversing and camping with artists and students, he fell in love with your country. Tragically he was struck ill on his 20th birthday, and later died. But his tragedy brought forth new life. John's family and friends have established a Chinese studies program at the Sidwell Friends School in Washington. Hundreds have contributed, and the program now attracts young people from schools all across America. Earlier this year Premier Zhao visited the school. This summer, the entire class will come to China as his guests to meet their student contemporaries.

From the great grief of one boy's death came a seed. And from that seed has grown a tree of understanding, a tree that now blossoms with the beauty of friendship and cooperation. If our people could go forward in this same spirit, planting not one tree, but millions, and then tending each so that it may grow sturdy and tall, then the dream of a single youth might grow into a golden dreams of all mankind.

Thank you very much. [applause]

Further on Zhao Banquet

OW271251 Beijing XINHUA in English 1241 GMT 27 Apr 84

[Text] Beijing, April 27 (XINHUA) -- Chinese Premier Zhao Ziyang held a state banquet for U.S. President Ronald Reagan, Mrs. Reagan and their entourage in the Great Hall of the People here this evening. Both the Chinese premier and the U.S. President spoke at the banquet.

In his speech, Premier Zhao said that since the establishment of diplomatic relations, marked progress had been made in many areas in relations between the two countries. But some difficulties and obstacles still existed, mainly on the question of Taiwan. He said, China expected the promises by American Government leaders to abide by the joint Sino-U.S. communiques to be faithfully carried out in action, and hoped that continued joint efforts would bring about the long-term and steady development of Sino-U.S. relations, he said.

President Reagan said that by any account, the cooperation between China and the United States already had been a boon to their people. Both countries had gained, he said. As China moved forward to modernize and develop its economy, he said, the United States was eager to join in a cooperative effort. "Your modernization program, an ambitious undertaking, makes our future relationship even more promising," he added.

The national flags of China and the United States were hung in the banquet hall and a band played the national anthems of both countries. Chinese artists gave a theatrical program at the end of the banquet.

Among the guests were U.S. State Secretary George Shultz and his wife, U.S. Ambassador to China Arthur Hummel, Jr., and his wife, assistant to the President and Chief of Staff of the White House James Baker, III.

Present were Huang Hua, vice-chairman of National People's Congress Standing Committee; Li Peng, vice-premier; Fang Yi, Chen Muhua, Zhang Aiping, Wu Xueqian and Wang Bingqian, state councillors; and Zhou Peiyuan, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference.

Interviewed by PRC TV

OW280516 Beijing Domestic Service in Mandarin 0400 GMT 28 Apr 84

[Text] U.S. President Reagan granted an interview to reporters of the Central Television Station at the Diaoyutai Guest House on the morning of 28 April.

President Reagan said that he had dreamed of coming to China ever since he was a school-boy. At that time, China was seemingly a million miles away. Nowadays, the modern jet plane provides us an opportunity to visit China and its hard-working people and to understand better the progress they have made. It also provides us an opportunity to view and appreciate the treasures of China, a country with ancient civilization.

He said that he was deeply moved by the warm welcome given to him and his wife in China.

President Reagan said: As a major economic power in the world, the United States looks forward to forging ahead with China and sharing its technology with China, and also encourages further exchanges of personnel, products and ideas between the United States and China.

President Reagan also answered reporters' questions.

Further on TV Interview

OW281352 Beijing XINHUA in English 1337 GMT 28 Apr 84

["President Reagan Gives Interview to China Central Television Station" -- XINHUA headline]

[Text] Beijing, April 28 (XINHUA) -- President Reagan said here today that he admired the progress made by the Chinese Government in opening the country's economy to the world. The remark came during an interview with the China Central Television Station (CCTV). The interview was broadcast this evening.

The opening of China's economy to the world has provided more opportunities for the Chinese people to better their lives, President Reagan said. He said that like China, the United States was a Pacific nation.

"A prosperous future is being built in the Pacific, and we are now your nation's third largest trading partner. We are working together to improve industrial and technological cooperation, increase trade and investment, and expand educational and cultural exchanges," he added.

In answering questions, Mr. Reagan said that great strides had been made in U.S.-China economic cooperation and some agreements had been concluded on bilateral trade. But, he added "there are still some left-over prohibitions in some of our own laws, and we are working with our Congress to eliminate those and make great progress with that. Again, it's a case of continuing on the path that has already been started."

On the Taiwan issue, which Chinese leaders have called the major obstacle in developing Sino-U.S. relations, the President said: "We don't believe we should involve ourselves in this internal affair. We don't believe that it would be right to cast aside long-time old friends in order to make new friends. But we will do anything we can to encourage the peaceful solution of this problem by the people of China."

Mr. Reagan also described himself as "very much optimistic" on the prospects for Sino-U.S. relations.

28 Apr TV Interview

HK301048 Beijing Television Service in Mandarin 1300 GMT 28 Apr 84

[Interview with U.S. President Ronald Reagan by Central Television Station reporter on the morning of 28 April at the Diaoyutai Guest House in Beijing -- recorded; questions in Mandarin, with Reagan's answers in English, faintly audible with superimposed Mandarin translation]

[Text] [Reporter] Mr President, this year marks the bicentennial of the beginning of Sino-U.S. contacts and the fifth anniversary of the establishment of diplomatic relations between China and the United States. So, your visit to our country at this time has a special significance. Mr President, as this is your first visit to China, would you please give us your impressions.

[Reagan] Thank you, and may I say how pleased I am to visit your great and historic country. Long ago, when I was attending school in a small town in the west [as heard], I dreamed of coming to China. In those days China seemed a million miles away. But now, modern jet travel gives us the opportunity to visit China and its hard-working people and to understand better the progress they have made. It also provides us with an opportunity to view and appreciate the treasures of your country -- an ancient civilization. Permit me first to thank you for the interview on behalf of Nancy and myself. We journey to your country to make friends, but you have already made us feel that we are among friends. This greatly touches me. The only thing I regret is that the visit is so brief. Our visit is like a description in a Tang Dynasty poem: Looking at the flowers while riding on horseback. As I mentioned at the Great Hall of the People yesterday, in your Book of Han there is a famous saying that it is better to see once than hear a hundred times. This is exactly how Nancy and I feel. Our visit marks precisely the 200th anniversary since the first American merchant ship called at a Chinese port. In your history of civilization, 200 years is just a short moment.

But to us Americans, 200 years is the entire history of the United States. Your country is truly an ancient one, and the United States is a young country. Our languages and customs are different, and the political beliefs of our governments are different. But I believe if you look beyond these superficial differences and into the homes and hearts of the peoples of our two countries carefully, you will discover that a great deal of their basic values are the same as those of yours. For example, the dignity of work, the importance of the opportunity for developing one's talents, the love and strength of the family, the respect for the old, the ideal of securing a better life for the children, and finally the most sincere hope to make everyone a friend and coexist with one another peacefully. Your government has opened China's economy to the world to provide more opportunities for your people to better their lives. We highly praise the progress your government has made in this respect. We admire the courage of your leaders. We have already told your leaders that the United States, as a major economic power in the world, welcomes the opportunity to advance with China side by side. We welcome China to share our technologies and encourage a flow of people, products, and ideas between our two countries. Like China, the United States is a Pacific nation. We believe future prosperity is closely related to the Pacific region. We have now already become your third largest trading partner. We are working together to expand industrial-technological cooperation between our two countries, increase trade and investment, and expand educational and cultural exchanges.

[Reporter] The Chinese public hopes that your visit will give an impetus to the further development of Sino-U.S. relations. In your view, what concrete steps should the Chinese and American sides take to promote the further development of our relations?

[Reagan] Well, we have taken a number already. For example, with regard to trade, we have already reached an agreement to avoid double taxation and we have also reached an agreement on the peaceful utilization of nuclear energy and cooperation in nuclear energy. We will endeavor to prevent the proliferation of nuclear weapons to other countries. During the past few months, five cabinet members came to visit China and met their Chinese counterparts. For example, our secretary of commerce, our secretary of defense, our secretary of state, and so on, have all been to China. We will continue to discuss the question of energy problems. We will continue along this path. We have made great progress already. We will strive to achieve further cooperation.

[Reporter] Mr President, both you and our leaders have expressed a desire for further development of Sino-U.S. relations. Everyone knows that the issue of Taiwan is a major obstacle to the development of our bilateral relations. It is also an important matter affecting the national feelings of the 1 billion Chinese people. Could you please tell us how the United States intends to gradually [zhubu] remove this obstacle?

[Reagan] We believe that this is a problem between the Chinese people on both sides of the Strait, a problem which should be solved by the Chinese people themselves on both sides of the strait. Indeed, the United States and the people of Taiwan have maintained a long historical friendship and relationship. We feel that the solution when it comes should be a peaceful one. We do not think the United States should get involved in China's internal affairs. The American stand has always been that we sincerely hope our friendship with China, the People's Republic of China, will continue. In the meantime, we do not think we should abandon our old friend of long standing for the sake of a new friend. Therefore, we will do our best to encourage the Chinese people to solve this problem peacefully themselves.

[Reporter] There is a great potential for Sino-U.S. economic cooperation. What measures is the U.S. Government prepared to adopt to promote further economic and technological cooperation between the two countries?

[Reagan] I believe I answered that in part on your previous question. I think in this respect we have already provided China with high technology information and high technology through channels of trade. We have signed an agricultural agreement on the sale of grains to China. In the meantime, we have also reached agreements covering other forms of trade. Indeed, there are still stipulations in our laws which obstruct trade between us. But we are working with Congress to eliminate these obstacles and we have made great progress in this respect. So it is a case of continuing on the path that has already been started.

[Reporter] Mr President, finally we would like to invite you to talk about the prospects for the development of Sino-U.S. relations in the future.

[Reagan] I am very optimistic about this growth of relations that have already been started. I think in my answer to your two previous questions I left out one thing. That is, we should do more in educational exchanges and exchange of students. Just before I left the United States to come to your country, I met a group of Chinese students who are studying in the United States. There are now some 12,000 Chinese students studying in the United States. I am looking forward to our sending more students to China. At present the total number of Americans visiting China has reached 100,000. I think this kind of exchange will continue to develop in the future. Through such exchanges, the young people get to understand each other more. I have always thought that troubles begin when people are talking about each other instead of to each other. Now that the young people have already started to talk to each other, I am very optimistic about the future.

[Reporter] Thank you, Mr President, for answering our questions.

[Reagan] [in English] It has been a great pleasure. I've enjoyed it. Thank you.

Deng, Reagan Begin Talks

OW280331 Beijing XINHUA in English 0322 GMT 28 Apr 84

["Flash"]

["Deng Xiaoping Meets President and Mrs Reagan" -- XINHUA headline]

[Text] Beijing, April 28 (XINHUA) -- Deng Xiaoping, chairman of the Central Advisory Commission of the Chinese Communist Party, met with U.S. President Ronald Reagan and Mrs Reagan here this morning. The meeting took place in the Great Hall of the People at 1035 [0235 GMT].

When the Reagans entered the hall, Deng Xiaoping greeted them with a handshake. In a brief conversation, Deng Xiaoping told President Reagan that he had been looking forward to meeting him for two years. He added: "It is useful to exchange views on certain questions face to face."

The president said, "I agree fully."

Deng said: "I was told you had read a lot about China before coming to China."

He turned to Mrs Reagan, saying "You have done a lot for the giant pandas. Thank you." Mrs Reagan said that it was her pleasure to do so. She said she had the help of the American children.

Deng said that he hoped Mrs Reagan would become a friend of the Chinese people. The First Lady said, "I'd like to very much."

Deng said: "Your visit here is too short. As friends we need to know each other much more." "I agree," Mrs Reagan said. "There are so many places I'd like to go and so many things I'd like to see, but the trip is too short."

Deng Xiaoping invited Mrs Reagan to come again by herself: "You should have some independence," Deng said. "Bring along your grandchildren. We won't treat you badly." Mrs Reagan replied, "I know you won't."

Deng Xiaoping said: "We are of the same generation. In another three months I'll be in my 80's."

President Reagan responded, "I'll be in my 80's in seven years."

Deng said: "We in our 70's have had political careers of several decades. Therefore I'm very glad to have the opportunity to exchange views with you, Mr President."

"I'm very glad too. I have long been looking forward to this opportunity," Reagan said.

Later, Deng Xiaoping and President Reagan held talks in the presence of their top aides including the Chinese foreign minister and U.S. secretary of state.

Deng Says Talks 'Big Success'

OW280503 Beijing XINHUA in English 0459 GMT 28 Apr 84

["Deng Xiaoping Says His Talks With President Reagan a Big Success" -- XINHUA headline]

[Text] Beijing, April 29 (XINHUA) -- Deng Xiaoping, chairman of the Central Advisory Commission of the Chinese Communist Party, said here today that his talks with President Reagan this morning marked a big progress. He said: "The most important achievement lies in the fact that I had my first meeting with the President."

The chairman gave these remarks at the beginning of a luncheon he gave for President Reagan right after their 100-minute talks.

When reporters asked President Reagan about his comment on this morning's talks, the President said, "You can judge by the smile on our faces."

After the luncheon, the President will tour the Great Wall with Mrs Reagan.

Taiwan Issue 'Crucial Problem'

OW280723 Beijing XINHUA in English 0716 GMT 28 Apr 84

["Deng Xiaoping Confers With Ronald Reagan" -- XINHUA headline]

[Text] Beijing, April 28 (XINHUA) -- Chinese leader Deng Xiaoping today told U.S. President Ronald Reagan that the Taiwan issue remained to be a crucial problem in Sino-U.S. relations.

During a wide-ranging exchange of views on bilateral relations and international issues of mutual interest in the Great Hall of the People this morning, the chairman of the Central Advisory Commission of the Chinese Communist Party said he hoped that American leaders would give serious consideration to the Chinese people's national feelings.

Deng said China had made maximum efforts to resolve the Taiwan issue by allowing two different systems to exist within a unified country, and he hoped that the United States would refrain from doing anything that might impede the reunification of Taiwan with the Chinese mainland.

The two sides across the Taiwan Straits could increase contacts gradually and achieve a peaceful reunification through negotiations, he said.

The present system in Taiwan would not be changed, and the interests of the people there would not be eclipsed after reunification, he added, noting that Taiwan could continue its present ties with the United States and Japan.

Deng said he believed the Chinese solution was feasible and the hitches in relations between China and the U.S. would be ironed out once the Taiwan problem was resolved.

Deng said the recent development of Sino-U.S. relations had been good, although the two countries had had some quarrels in the previous period.

China and the U.S. shared common views on certain international issues. But there were also differences, the Chinese leader said, adding that he hoped leaders and government officials of the two countries would have more contacts and exchanges of views in order to develop bilateral relations.

During the 100-minute meeting President Reagan also outlined the U.S. Government's positions on disarmament, the Middle East and North-South relations.

Before the talks began, Chairman Deng spoke briefly with President and Mrs. Reagan. Later, Mrs. Reagan left the meeting hall to visit a local residents' committee.

After their meeting, Chairman Deng and President Reagan had lunch together.

Chinese State Councillor and Foreign Minister Wu Xueqian and U.S. Secretary of State George Shultz and other top officials from both sides were also present.

Ends Talks, Tours Great Wall

OW280805 Beijing XINHUA in English 0749 GMT 28 Apr 84

["President and Mrs Reagan Tour Great Wall" -- XINHUA headline]

[Text] Great Wall, Beijing, April 28 (XINHUA) -- U.S. President Ronald Reagan toured the world-famous Great Wall this afternoon after concluding his political talks with Chinese leaders in the two days following his arrival.

Mr. and Mrs. Reagan and principal members of the presidential entourage arrived at the wall ten minutes before three. The local temperature was 19 degrees centigrade.

Wearing a gray and white striped jacket, the 73-year-old President, hand in hand with Mrs. Reagan who was wearing a blue scarf dotted with red flowers, climbed to the top of the first watchtower, in the company of Zhu Muzhi, chairman of the Chinese reception committee, and his wife Zhou Luo.

The Great Wall, the only man-made structure that can be seen from the moon, was first built about 2,000 years ago. From its starting point at Jiayuguan Pass in Gansu Province, the Great Wall crosses northern China from west to east ending at Shanhaiguan Pass on the Gulf of Bohai. Known in China as the "ten thousand li (five thousand kilometer) wall," it actually stretches for more than six thousand kilometers.

The wall rises and falls, twists and turns along the ridges of the Yanshan and Yinshan Mountains. It averages 7.8 meters high and 6.5 meters wide at the base and 5.8 meters at the top.

Today, President and Mrs. Reagan saw the best-preserved section at Badaling Ridge, 75 kilometers north of the Chinese capital, which attracts millions from home and abroad every year, and tens of thousands a day during peak seasons.

President and Mrs. Reagan covered a section between the first and the second beacon towers with a slope of 25 degrees.

At the second beacon tower, Gao Zhenhau, manager of the Badaling Administration Office of the Great Wall, presented them each with a certificate signed by himself to commemorate their ascent. The certificate bears a picture of the wall and the date.

On the second watchtower, President Reagan said that the creation of the Great Wall was a miracle. "It is so steep to walk on, let alone carrying rocks here," he said, adding that one could imagine how much talent and strength it had taken for ancient people to build one of the greatest wonders in the world. "It was built by man by hand, and it is awe-inspiring," he said.

Mr. and Mrs. Reagan had their pictures taken on the slope, then had a picture taken with Minister Zhu Muzhi and his wife.

Asked about his impressions, Secretary Shultz said that the Great Wall was well protected and it was no easy job to build it.

TV Covers Zhao Banquet, Deng Meeting

HK290025 [Editorial Report] Beijing Television Service in Mandarin at 1100 GMT on 28 April begins its regular evening news broadcast with a female announcer reading the news headlines, which include "Premier Zhao Ziyang Gives Banquet in Honor of President Reagan, Chairman Deng Xiaoping Meets President Reagan."

The report on Reagan's activities in Beijing is carried after the first news item, which concerns a forum held at Huairan Tang Hall in Beijing's Zhongnanhai on 28 April to mark the 80th birthday of Chinese veteran revolutionary Ren Bishi, attended by Hu Yaobang, Deng Yingchao, Xi Zhongxun, Wang Zhen, Yu Qiuli, Deng Liqun, and others.

The report on Reagan's activities in Beijing includes three items. The first item is a 4.5-minute filmed report on Premier Zhao Ziyang giving a banquet in honor of President Reagan at Beijing's Great Hall of the People on 27 April. The second item is a 2-minute filmed report on Chairman Deng Xiaoping meeting President Reagan in the Great Hall of the People on 28 April. The third item is a 1-minute filmed report on Reagan touring the Great Wall on 28 April.

The first filmed report begins with a long shot of a banquet hall in the Great Hall of the People, where the banquet is being held. After that, Reagan, Mrs Reagan, Shultz and other American officials are seen entering the hall in the company of Zhao Ziyang and some other Chinese officials. The camera then cuts to a close-up shot of Zhao addressing the banquet. As he speaks, the film gives medium and close-up shots of Reagan, Huang Hua, Shultz, Zhang Aiping, Fang Yi, Chen Muhua, Wu Xueqian Wang Bingqian, Mrs Reagan and others.

After that, Reagan is seen delivering a speech at the banquet. As he speaks, the film gives close-up shots of Zhao Ziyang, Mrs Reagan, Shultz, Chen Muhua and others. Zhao Ziyang is then shown toasting Reagan, Mrs Reagan and some other officials.

After the banquet, Zhao Ziyang, Reagan, Mrs Reagan and other Chinese and American officials are shown watching performances given by literature and art workers in Beijing. They applaud when the performances end.

The second filmed report begins with a long shot of a reception room in the Great Hall of the People. Reagan, Mrs Reagan and other American officials are then seen entering the reception room in the company of Deng Xiaoping and other Chinese officials. The camera then cuts to a close-up shot of Deng sitting in an armchair speaking with Reagan and other American guests. As he speaks, the film gives medium and close-up shots of Reagan, Wu Xueqian, Shultz and some other Chinese and American officials. Reagan is also seen speaking with Deng. After the talk, Deng Xiaoping is shown hosting a luncheon in honor of Reagan and members of his party.

The third filmed report begins with a long shot of the Great Wall. Reagan, in a gray and white striped jacket, hand in hand with Mrs Reagan, in a blue scarf dotted with red flowers, is then seen climbing a watch tower of the Great Wall in the company of Zhu Muzhi, Chairman of the Chinese reception committee, and minister of culture. The film ends with long and medium-shots of Reagan, Mrs Reagan and some other American officials walking along the Great Wall.

At 1300 GMT on 28 April, following the conclusion of a regularly scheduled GDR TV play "Big Klaus and Little Klaus," the station carries a 10-minute recorded interview of President Reagan by a reporter of the Central Television Station at the Diaoyutai Guest House on the morning of 28 April.

The film begins with a long shot of the Diaoyutai Guest House where Reagan is staying. After that, the camera cuts to a close-up shot of Reagan sitting in an armchair in a reception room. A male reporter holding a microphone is then seen and heard asking Reagan several questions in Mandarin. Reagan is heard speaking a few sentences as he starts answering each question. Then his voice fades into the background as his answer is simultaneously translated into Mandarin by a male interpreter. As Reagan speaks, he is shown in medium and close-up shots from different angles.

After the interview, the station immediately returns to its regularly scheduled programs.

Reagan Gives Return Banquet

OW281224 Beijing XINHUA in English 1211 GMT 28 Apr 84

["U.S. President Reagan Gives Return Banquet in Beijing -- XINHUA headline]

[Text] Beijing, April 28 (XINHUA) -- U.S. President Ronald Reagan and Mrs Reagan held a return banquet for Chinese Premier Zhao Ziyang at the Great Wall Hotel here this evening. Among the guests were Vice-Chairman of the Standing Committee of the National People's Congress Huang Hua; Vice-Premier Li Peng; State Councillors Fang Yi, Chen Muhua, Zhang Aiping, Wu Xueqian and Wang Bingqian; and Vice-Chairman of the National Committee of the Chinese People's Political Consultative Conference Zhou Peiyuan.

Speaking at the banquet, Mr Reagan said China and America had begun a productive partnership, including expanded economic contacts and increased cultural and academic exchanges.

Despite their differences, he said, the Chinese and American people were united in their desire to resist foreign threats, raise their families in prosperity and peace, and go as far in life as their intelligence and imagination might take them.

"We hold more than enough in common to provide firm ground on which we can work together for the benefit of both," he said.

In his speech, Zhao Ziyang said that the friendly meetings between Chinese and American leaders indicated the need to further develop Sino-U.S. relations by strictly adhering to the principles set forth in the Sino-U.S. joint communiques. "I believe," he said, "in economic and technical cooperation there is a great potential which we should actively tap and use."

"The current visit by President Reagan once again shows that frank and sincere dialogue is a bridge enabling us to continue to explore ways of increasing mutual trust so as to establish a stable and enduring relationship," he added.

"China will implement its Seventh Five-Year Plan and gradually expand the scale of its construction, and that will open up new vistas for Sino-U.S. economic cooperation."

Zhao Ziyang reaffirmed that the policy of opening to the outside world was a fundamental state policy.

Also present were U.S. Secretary of State George Shultz and Mrs Shultz; U.S. Ambassador to China Arthur Hummel, Jr., and Mrs Hummel; and Assistant to the President and Chief of Staff of the White House James Baker, III.

Zhao Ziyang Speaks at Banquet

OW281411 Beijing XINHUA in English 1346 GMT 28 Apr 84

["Premier Zhao Speaks at President Reagan's Return Banquet" -- XINHUA headline]

[Text] Beijing, April 28 (XINHUA) -- The current visit by President Reagan once again shows that frank and sincere dialogue is a bridge enabling China and the United States to continue to explore ways of increasing mutual trust to establish a stable and enduring relationship, Premier Zhao Ziyang said here tonight. Speaking at a return dinner hosted by President and Mrs Reagan, Premier Zhao said trade and economic exchanges were an important link between the two countries.

Trade and economic ties between them had developed rapidly out of mutual needs since the establishment of Sino-U.S. diplomatic relations, he said.

In 1986 China will implement its Seventh Five-Year Plan and gradually expand the scale of its construction. This will open up new vistas for Sino-U.S. economic cooperation, he added.

Premier Zhao said the common interest of maintaining world peace and bringing benefit to the people of both countries required that the two sides transcend the differences of social system and ideology and work for expanded cooperation based on equality and mutual benefit.

He said that General Secretary Hu Yaobang, Chairman Deng Xiaoping and President Li Xiannian held friendly meetings with President Reagan and he, too, had constructive talks with the President on a wide range of issues in a candid and amicable atmosphere.

Both sides have indicated the need to further develop Sino-U.S. relations by strictly adhering to the principles set forth in the Sino-U.S. joint communiques, and believe that there is a great potential which both China and the U.S. should actively tap and use in their economic and technical cooperation, he said.

The policy of opening to the outside world is China's fundamental policy, Zhao said, noting that in external relations the Chinese people upheld the principle of equality and mutual benefit. "Mutual respect, mutual accommodation and consultation on an equal footing are crucial to friendly co-existence between two sovereign states with different social systems," he added.

"The best way to have a friend is to be one," Premier Zhao said, quoting the 19th century American poet Ralph Waldo Emerson. "We hope that Sino-U.S. trade and economic relations will make continued progress on a sound basis."

Reagan Speaks at Return Banquet

02281418 Beijing XINHUA in English 1356 GMT 28 Apr 84

["President Reagan Speaks at Return Banquet" -- XINHUA headline]

[Text] Beijing, April 28 (XINHUA) -- The United States and China, despite their differences, hold more than enough in common to provide firm ground on which they can work together for the benefit of both, said President Ronald Reagan here this evening.

Speaking at a return banquet he hosted in honor of Chinese Premier Zhao Ziyang in the Great Wall Hotel here, Mr Reagan said in the 12 years since the long silence between the two nations was broken by the signing of the Shanghai communique, China and America had begun a productive partnership. The two nations had begun economic exchanges that "are growing in importance every day," he said.

The two countries differed markedly in their values, forms of government and economic systems, he noted, adding that "to ignore or understate our differences would be to do an injustice to us both.

But despite their difference, he said, the Chinese and American people were united in their desire to raise their families in prosperity and peace, and go as far in life as their intelligence and imagination might take them. The United States and China had undergone changes of leadership in the past 12 years, he said. But you, too, have remained firmly committed to the friendship between our two nations", he said, adding that he congratulated the Chinese leaders who "have worked so diligently and boldly to improve the lives of the Chinese people."

"You have our pledge to give you our full cooperation as you modernize your nation's economy," he said.

The President also expressed his gratitude for the kind hospitality that had been extended to him and Mrs Reagan. On his impressions of China, he said that what he saw reminded him of China's sweep and vitality. "For Americans," he said, "the very mention of China holds a sense of allure."

In conclusion, the President toasted the lasting friendship between the Chinese and American peoples.

Leaves Beijing for Xian

02290330 Beijing XINHUA Domestic Service in Chinese 0214 GMT 29 Apr 84

[Text] Beijing, 29 Apr (XINHUA) -- After more than 2 days of political talks with Chinese leaders, President and Mrs Reagan left by plane this morning for Xian, a famous Chinese historical city.

After they arrive in Xian, the American guests will drive from the airport to the world renowned museum of wood and terra-cotta figures of warriors and horses of Qin Shi Huang. They will also visit a farm produce trading market.

State Councillor and concurrently Foreign Minister Wu Xueqian continued his talks with U.S. Secretary of State George Shultz this morning to exchange in-depth views on international issues and bilateral relations.

Arrives in Xian

OW290649 Beijing XINHUA in English 0634 GMT 29 Apr 84

["U.S. President Reagan Arrives in Xian" -- XINHUA headline]

[Text] Xian, April 29 (XINHUA) -- U.S. President Ronald Reagan and Mrs. Nancy Reagan arrived here by air at 1:23 p.m. today on a one day visit to see Xian's cultural wonders. They were accompanied by Zhu Muzhi, chairman of the reception committee and minister of culture, and his wife Zhou Luo.

Today, the national flags of China and the United States fluttered over Yanliang Airport as President and Mrs. Reagan were presented with bouquets of flowers by two children. President and Mrs. Reagan were greeted at planeside by Li Qingwei, governor of Shaanxi Province, and his wife Liu Buyun.

On hand also were Bai Jinan, vice-governor of the province; Zhang Tiemin, mayor of Xian; and Associate Professor Yao Xi of Xian Jiaotong University as a representative of local scholars who have done a period of research in the U.S.

After the airport reception, President and Mrs. Reagan set out immediately on the 66 kilometer drive to the archeological site where the hundreds of life-size terra-cotta horses and armored warriors, unearthed a decade ago, guard the tomb of Qin Shi Huang, the emperor who first unified China.

Among those accompanying President and Mrs. Reagan on the visit were U.S. Secretary of State George Shultz and Mrs. Shultz; U.S. Ambassador to China Arthur Hummel, Jr., and Mrs. Hummel; Assistant to the President and Chief of Staff of the White House James Baker, III; and Assistant to the President for National Security Affairs Robert McFarlane. Zhang Wenjin, Chinese ambassador to the U.S., and his wife also accompanied the President on the visit.

An ancient city in northwest China, Xian holds out attractions to tourists from many countries. More than 35,600 American tourists visited Xian last year, 7.5 times the figure of 1979, the year of the establishment of Sino-U.S. diplomatic relations according to the Xian Provincial Tourist Administration.

Xian Museum Visit

OW291117 Beijing XINHUA in English 1057 GMT 29 Apr 84

["President Reagan Visits Qin Museum" -- XINHUA headline]

[Text] Xian, April 29 (XINHUA) -- President Reagan today became the first incumbent American head of state to visit the Qin Shi Huang terra-cotta army museum here. President Reagan made a special trip to Xian, China's ancient capital, to see the life-size terra-cotta soldiers and horses, which were discovered by local peasants in 1974. The archeological dig has been called "the eighth wonder of the world."

President and Mrs Reagan spent nearly one hour inspecting several thousand terra-cotta soldiers and horses that were made and buried in honor of China's first emperor who unified China more than 2,000 years ago. The relics are well kept in a large museum some 30 kilometers east to the ancient city of Xian.

Inside the museum, they walked down a 10-meter-deep vault and found themselves in a forest of soldiers and horses. "You are the first foreign head of state who had been given the honor of going so close to them" said Governor Li Qingwei, pointing to the horses and soldiers.

"Thank you so much," replied Mr Reagan.

Turning to a horse which stands some 1.5 meters, Reagan asked, "May I touch it? I know it can't kick me."

"Certainly, " said the governor.

Having seen and touched several horses and soldiers, Mr Reagan walked straight to a headless soldier. He leaned against the back of the soldier and pointed at his own head, saying: "It would be a complete soldier if my head were given to him."

Climbing up a wood staircase to leave the pit, President Reagan looked around and waved to the soldiers and horses with an order, "Disperse."

The Reagans also saw a bronze chariot drawn by four horses unearthed in 1980 west of Qin Shi Huang's tomb. It was repaired and put on display last year. The chariot, composed of 3,400 parts and measuring 3.28 meters long and 1.04 meters high is the biggest, oldest and most complicated bronze chariot ever unearthed in China.

Sharing his impressions with a XINHUA reporter, Reagan said: "It's too overwhelming. I wonder whether we are able to make things like this in the modern world."

The Reagans also viewed a group of clay sculptures representing the process of making terra-cotta figures and a model giving a panoramic view of the area around the Qin Shi Huang tomb.

Before leaving the museum, Governor Li Qingwei asked President and Mrs Reagan to sign the visitors' book. The museum presented a stone seal engraved with Ronald Reagan in Chinese to the President and a similar one engraved with the word "rainbow" in Chinese to Nancy Reagan as souvenirs. They stamped the seals on the visitors' book under their signatures.

Since the museum opened to the public in 1979, it has received more than five million visitors from other parts of China and 300,000 from overseas. Among the more than 50 state and government heads who have visited the museum was former U.S. President Jimmy Carter. Other dignitaries included former Vice-President Walter Mondale, former Secretary of State Henry Kissinger, and the late Senator Henry Jackson of Washington State.

Leaves Xian for Beijing

OW291127 Beijing XINHUA in English 1119 GMT 29 Apr 84

["President and Mrs Reagan Visit Peasant Market" -- XINHUA headline]

[Text] Xian, April 29 (XINHUA) -- U.S. President Ronald Reagan and Mrs Reagan strolled through a peasant market soon after their visit to the museum near Xian this afternoon.

They examined the wares on sale in the market located just outside the museum. Vegetables, handicrafts, hand-made cloth toys, grain and foodstuffs, and locally-made liquors and cigarettes were laid out on a row of stalls.

The Reagans showed interest in the handicrafts and lingered before some stalls for several minutes.

When an American reporter asked what she wanted to buy, Mrs Reagan discussed with her husband before she finally settled on five little hand-made toys including a baby's pillow decorated with two tiger heads. Reagan pulled out a ten-yuan note (foreign exchange certificate) from his wallet and got five yuan's change back.

President and Mrs Reagan then drove to Yanliang Airport to board the awaiting aeroplane back to Beijing.

Governor of Shaanxi Province Li Qingwei and other local leaders saw them off at the airport.

TV Shows Banquet, Xian Visit

HK300729 [Editorial Report] Beijing Television Service in Mandarin at 1100 GMT on 29 April during its regular news broadcast carries filmed reports on U.S. President Ronald Reagan's return banquet at the Great Wall Hotel in Beijing on 28 April, and on President Reagan and his wife visiting the Qin Shi Huang Terra-Cotta Army Museum in Xian on 29 April.

The first filmed report, which lasts 3.5 minutes and is carried after two news items on CPC General Secretary Hu Yaobang's meeting with a Japanese Democratic Socialist Party delegation, and Central Advisory Commission Chairman Deng Xiaoping meeting Dr Armand Hammer of the Occidental Petroleum Corporation of the United States, opens with a close-up shot of a landscape painting hung in front of the banquet hall. Then the camera dollies-back from the painting to show the hall where the banquet is being held. This is followed by a shot of PRC Premier Zhao Ziyang entering the hall in the company of Mrs Reagan and President Reagan. Other participants, including George Shultz and Wu Xueqian, are seen applauding as Zhao and the Reagans enter the hall. The film then shows Reagan addressing the banquet. This is followed by a series of intercuts of Reagan and the participants, who are shown listening to his speech. During these shots, Reagan's speech is voiced over by the announcer who says: "Reagan said both the United States and China believe that, despite their differences, both sides hold more than enough in common to provide firm ground on which they can work together for the benefit of both. He said that in the 12 years since the long silence between the two nations was broken by the signing of the Shanghai communique, China and America have begun a productive partnership. In recent years the two nations have begun economic exchanges that are growing in importance every day. He said that China and America differ markedly in their values, forms of government, and economic systems and that to ignore or understate our differences would be to do an injustice to us both. He said, however, both sides believe that, despite their differences, the Chinese and American peoples were united in their desire to raise their families in prosperity and peace. He said the Chinese leaders have worked so diligently and boldly to improve the lives of the Chinese people. He expressed his congratulations for this. He said: You have our pledge to give you our full cooperation as you modernize your nation's economy." After this, the camera focuses on Zhao, who is shown addressing the banquet. This is followed by a series of intercuts of Zhao and the participants, who are shown listening to his speech.

In the course of these shots, Zhao's speech is also voiced over by the announcer, who says: "Premier Zhao Ziyang said that the current visit to China by President Reagan once again shows that frank and sincere [kai cheng bu gong di] dialogue is a bridge enabling China and the United States to continue to explore ways of increasing mutual trust to establish a stable and enduring relationship. He said trade and economic exchanges were an important link between the two countries. He said that in 1986, China will implement its seventh 5-year plan and gradually expand the scale of its construction. This will open up new vistas for Sino-U.S. economic cooperation. He said the common interest of maintaining world peace and bringing benefit to the people of both countries required that the two sides transcend the differences of social system and ideology and work for expanded cooperation based on equality and mutual benefit. Zhao Ziyang said that General Secretary Hu Yaobang, Chairman Deng Xioping, and President Li Xiannian held friendly meetings with President Reagan and he, too, held constructive [jian she xing di] talks with the President on a wide range of issues in a candid and amicable [tan cheng you nao di] atmosphere. Both sides have indicated the need to further develop Sino-U.S. relations by strictly adhering to the principles set forth in the Sino-U.S. joint communiques, and believe that there is a great potential which both China and the United States should actively tap and use in their economic and technical cooperation. Zhao Ziyang said that the policy of opening to the outside world is China's fundamental policy and that in its external relations China upholds the principle of equality and mutual benefit. Mutual respect, mutual accommodation, and consultation, on an equal footing, are crucial to friendly coexistence between two sovereign states with different social systems." The film ends with a shot of Zhao, Reagan, and the participants toasting one another.

The second filmed report, which lasts 1.5 minutes, opens with a shot of the Qin Shi Huang terra-cotta army museum in Xian. This is followed by a shot of some 100 terra-cotta soldiers in the museum. Then the camera gives shots of President Reagan and his wife walking in the museum and looking at the terra-cotta soldiers below them. The film ends with a shot of Reagan and his wife ascending a flight of wooden stairs and standing among the terra-cotta soldiers.

Zhao, Reagan at Signing Ceremony

OW300200 Beijing XINHUA in English 0137 GMT 30 Apr 84

["Premier Zhao Ziyang Praises Sino-U.S. Agreements" -- XINHUA headline]

[Text] Beijing, April 30 (XINHUA) -- Chinese Premier Zhao Ziyang today described the signing of four agreements and protocols and the initialing of another between China and the United States as "significant achievements." The five documents concern the avoidance of double taxation, cultural exchanges in 1984 and 1985, cooperation in management of industrial science and technology, cooperation in scientific and technical information, as well as peaceful use of nuclear energy. At the signing ceremony held in the Great Hall of the People this morning, the Chinese premier also announced that several other important agreements are now under negotiation.

Zhao Ziyang said: "Mr. President, I deeply appreciate the spirit of mutual respect and mutual benefit which you have repeatedly emphasized during your visit here." Problems can be solved so long as both sides conduct consultations in the spirit of mutual respect and mutual benefit. In this way, China and the United States can carry out better cooperation in more areas, he added.

Chinese President Li Xiannian attended the signing ceremony.

President Reagan said that the concluding of new accords would facilitate trade and investment, enhance exchanges between China and the U.S. One agreement would make it easier for Chinese and American firms to engage in trade and cooperate in joint ventures. With this agreement, private investors and professional exchanges could make a stronger contribution to Chinese development, and to the benefit of both nations, he added. "Let us hope that, as contacts grow between the Chinese and American people, each of us will continue to learn about the other and this important new friendship of ours will mature and prosper," Reagan said.

Following their speeches the two leaders signed the agreement for the avoidance of double taxation and the prevention of tax evasion with respect to taxes on income and the implementing accord for cultural exchanges in 1984 and 1985 under the cultural agreement between the governments of the two countries.

The agreement for cooperation between the governments of China and the U.S. concerning peaceful uses of nuclear energy was initialed by China's Commissioner of Science and Technology Jia Weiwen and U.S. Ambassador Richard Kennedy. The accord was concluded a few days ago as a result of more than two years of consultation.

The protocol on cooperation in the field of management of industrial science and technology was signed by Zhang Yanning, vice-minister of Chinese State Economic Commission, and Lionel Olmer, U.S. under secretary of commerce; and the protocol on cooperation in the field of scientific and technical information was signed by Zhao Dongyan, vice-minister of Chinese State Science and Technology Commission and Lionel Olmer, U.S. under secretary of commerce.

According to the implementing accord for cultural exchanges, China and the U.S. will continue to expand personnel exchanges and cooperation in the fields of art, journalists [as received], broadcasting, television, literature, translation, publication, education, social sciences, sports and parks construction. Performing arts groups will be exchanged and painting exhibitions and film weeks run in each other's countries.

Attending the signing ceremony were also U.S. Secretary of State George Shultz and Chinese State Councillors Wu Xueqian and Wang Bingqian.

Li Xiannian, Zhao See Reagan Off

OW300304 Beijing XINHUA in English 0237 GMT 30 Apr 84

["Chinese President, Premier See U.S. President Off" -- XINHUA headline]

[Text] Beijing, April 30 (XINHUA) -- President Li Xiannian and Premier Zhao Ziyang saw President and Mrs. Reagan off this morning in the Great Hall of the People. President Li said to President Reagan, "Your visit to China has been a success and has enhanced mutual understanding and friendship. Though there are different points of view between us, there is no need to evade them, and we are still friendly."

Reagan agreed and said he hoped this would be an example for the entire world.

Premier Zhao said President Reagan's visit had been a success if somewhat short.

Reagan said that his visit to China had impressed him deeply: "You have very wonderful people. I'll go home with very warm memories."

President Li Xiannian wished him and Mrs Reagan a pleasant journey and an enjoyable stay in Shanghai. President Reagan replied in Chinese "Thank you."

Also on hand were Wu Xueqian, state councillor and foreign minister, and Wang Bingqian, state councillor and minister of finance.

President and Mrs Reagan and their party then left the Great Hall of the People for Shanghai in the company of Zhu Muzhi, chairman of the reception committee and minister of culture, and his wife Zhou Luo.

OW300642 Beijing XINHUA in English 0631 GMT 30 Apr 84

["U.S. President Reagan Arrives in Shanghai" -- XINHUA headline]

[Text] Shanghai, April 30 (XINHUA) -- U.S. President Ronald Reagan and his wife Nancy flew into Shanghai, the last stop on their six-day China visit, at 12:30 local time today.

Wang Daohan, mayor of Shanghai, extended a warm welcome to them on behalf of the people in Shanghai. Two children presented the Reagans with bouquets.

President Reagan then drove straight from the airport to the Shanghai-Foxboro Company, Ltd., a Sino-U.S. joint venture.

The President is to give a speech at Fudan University, while Mrs Reagan will visit the city's Children's Palace and the Jade Buddha Temple.

This evening the Shanghai Municipal People's Government will give a banquet in honor of the President and his wife.

Speaks at Fudan University

OW301041 Beijing XINHUA in English 1020 GMT 30 Apr 84

[Text] Shanghai, April 30 (XINHUA) -- U.S. President Ronald Reagan delivered a speech at Fudan University in Shanghai this afternoon. Arriving at the university with Mayor Wang Daohan and Minister of Culture Zhu Muzhi at 3 o'clock, he was met by Fudan's honorary president, mathematician Su Buqing, and president physicist Xie Xide.

Xie said she believed that President Reagan's current visit would enhance the friendship between the Chinese and American peoples and help increase cultural, scientific and technological exchanges between the two countries.

Before delivering his speech in the university's auditorium, President Reagan held a discussion with 100 students. He would long remember the warmth and friendliness shown by the Chinese people during his visit, he told them.

On entering the auditorium, Mr Reagan was given a bouquet and a university badge, which was pinned to his lapel by a student.

In his speech, President Reagan praised Fudan University and Shanghai for their efforts to train qualified personnel for China.

Noting that China and the United States were increasing their educational and economic exchanges, he said that Premier Zhao's visit to the U.S. and his current visit to China had helped bring about new advances in U.S.-China relations. "We have made our choice. Our new journey will continue. And may it always continue in peace and in friendship," he said.

University President Xie Xide said that young people shouldered the heavy responsibility for the future of the world. The world today was not tranquil, but the Chinese people loved peace and China was willing to develop relations with all countries, including the United States. "Our young generation will strive to defend and realize these principles," she said.

Xie also presented President Reagan three volumes of an atlas of Chinese historical maps compiled by Fudan's Institute of Historical Geography. The entire project, when completed, will consist of eight volumes. Xie said the university would send the remaining five volumes to President Reagan as they came off the press.

Talks With University Students

OW300955 Beijing XINHUA in English 0940 GMT 30 Apr 84

[Text] Shanghai, April 30 (XINHUA) -- U.S. President Ronald Reagan said here today that he would remember the warmth and friendliness of the Chinese people for a long, long time. He made the remark when answering a question during a discussion with students at Fudan University here this afternoon. "Then there are the vitality and the changes that are taking place, the program of modernization itself, the courage that it took to embark on that," he added.

The few glimpses of China's heritage he had impressed him tremendously, he said, especially the Great Wall and the terra-cotta warriors and horses near Xian. Describing the terra-cotta warriors, he said: "I almost had the eerie feeling that they were going to speak to me."

"I go home with the feeling in my heart that we perhaps have started a friendship here between two great principles, but not an alliance," he said.

"We will be friends and neighbors," he added.

Asked what measures he was going to take to further advance Sino-U.S. relations, Mr Reagan said that his discussions with Chinese leaders over the past few days centered on broadening the base of friendship and mutual understanding. The two sides had signed a few agreements earlier today in Beijing and negotiations were underway for broadening cooperation in the economic, cultural and other fields and for expanding students exchange. He stressed the need of direct talk between nations. "Now we are going to talk to each other," Reagan told the 100 students in the lecture hall.

Mr Reagan also said that prospects for cultural exchanges between the two countries were "very good indeed."

Discussing his life at the request of the students, he said his earlier interest in sports and the cinema had stood him in good stead after he graduated from college.

His first major was economics, but he graduated at a time when the United States was locked in a depression and he could not get a job. It was athletics that won him his first job as a sports announcer. Economics was what he was doing now, he said, adding that "you also need to be a good actor."

"I'm convinced that each of you stands at a great beginning. The Chinese people have skill, ingenuity, and a rich heritage. And those of you who are privileged to come to this university will help to lead your country to new prosperity," Mr Reagan told the students before the discussion began.

The President arrived in Shanghai earlier today from Beijing. He is scheduled to leave here for home tomorrow morning.

Visits Sino-U.S. Joint Venture

0W300804 Beijing XINHUA in English 0739 GMT 30 Apr 84

[Text] Shanghai, April 30 (XINHUA) -- U.S. President Ronald Reagan visited a Sino-U.S. joint venture after his arrival in Shanghai this afternoon. The U.S. President arrived at the Shanghai-Foxboro Company, Ltd., one of 21 Sino-U.S. ventures in China, on his way from Hongqiao Airport to the city.

After a briefing by the company's general manager, Donald N. Sonterup, President Reagan spoke to representatives of its employees. The venture's efforts demonstrated a promising future for expanded cooperation between China and the United States, he said. "We both understand that the capabilities and requirements of our two countries complement each other," he said, adding that both could be confident their relationship was based on equality, cooperation, and mutual respect, and that the results brought mutual benefits.

"Shanghai-Foxboro is a fine beginning. Now it is time to go forward and to build on this promising foundation," President Reagan said.

The Shanghai-Foxboro Company was set up by the Shanghai Instruments Industry Company and the Foxboro Company of the United States on April 13, 1983. It uses Foxboro's latest production techniques and management methods to manufacture and sell in China selected instruments and systems for industrial process control.

Mr Reagan visited the company's systems engineering section and an assembly workshop accompanied by Culture Minister Zhu Muzhi and Shanghai Mayor Wang Daohan. Sitting next to Du Xuebao, an assembly worker, he asked how the circuit boards were welded and picked up a soldering iron to try his hand at the job. "I'm going to buy one of those I built," he quipped.

President Reagan will deliver a speech at 79-year-old Fudan University, later this afternoon.

RENMIN RIBAO ON NURTURING SINO-U.S. RELATIONS

HK290031 Beijing RENMIN RIBAO in Chinese 28 Apr 84 p 6

[Article by RENMIN RIBAO correspondents Yuan Xianlu and Xi Linsheng: "The Bud of Sino-U.S. Relations Needs Careful Nurturing"]

[Text] As soon as U.S. President Reagan and his wife arrived on Chinese soil on 26 April, their busy activities started.

After the welcoming ceremony in the afternoon President Li Xiannian met President Reagan and his wife and gave a banquet for them. On the morning and afternoon of 27 April, Premier Zhao Ziyang and President Reagan held two rounds of talks on international issues and relations between the two countries. After the talks in the afternoon General Secretary Hu Yaobang met President Reagan and held friendly talks on maintaining long-term, friendly cooperation between the two countries, on relaxing international tension, and on safeguarding world peace. During an interval in the talks, President Reagan was invited to make a speech to people from various circles. In the evening Premier Zhao Ziyang gave a grand state banquet in honor of President Reagan and his wife.

President Reagan's visit is the first by an American President to China since Sino-U.S. diplomatic relations were normalized. The current talks between Chinese and U.S. leaders are the continuation of the talks between leaders of the two countries held during Premier Zhao Ziyang's visit to the United States in January this year. The mutual visits and exchanges of views between leaders of the two countries will have an important bearing on promoting the steady and consistent development of Sino-U.S. relations.

Developing friendly relations between China and the United States conforms to the common wish of the people of the two countries. Premier Zhao Ziyang recalled the profound feelings of the American people toward the Chinese people which he experienced during his visit to the United States this January. He pointed out that the Chinese people have the same friendly feelings toward the American people. President Reagan said that he is visiting China with a sincere hope cherished by the American people that they want to be a friendly neighbor of the Chinese people. More than 300 reporters are accompanying President Reagan on his visit to China. The number whose applications for entering China were not approved is even larger.

Many American reporters said that figures in various circles in the United States hoped that President Reagan's current visit to China would be a success and that Sino-American relations would be strengthened.

Developing friendly relations between China and the United States also corresponds to the needs of world peace. In the present turbulent international situation, safeguarding world peace is a matter of prime importance which concerns the people of the world. Profound exchanges of views between leaders of the two countries on major international issues so as to enable the two countries to get on well with each other will, as Premier Zhao said, produce effects far exceeding the scope of relations between the two countries. This is an important factor for maintaining world peace.

Presently the Pacific region is occupying a more and more important position in the development of the world situation. Prior to his visit to China, and while visiting China, President Reagan has repeatedly stressed this point, and Chinese leaders are in agreement with this viewpoint. Under these circumstances, developing the relations between China and the United States, two large countries on the coasts of the Pacific, will have more far-reaching significance.

Over the past few years, as a result of the common efforts made by China and the United States, the two countries have achieved marked successes in various aspects. However, there is still a serious obstacle to the development of Sino-U.S. relations. That is, of course, the Taiwan issue. At the talks Premier Zhao Ziyang frankly pointed out that the bud of Sino-U.S. relations needs careful nurturing by both sides. If there is anything which can seriously hamper the development of the relations between the two countries, it is the Taiwan issue. Presently some people in the United States are creating public opinion to the effect that the United States and Taiwan should upgrade their relations or that "Taiwan should be independent." It is necessary to keep a vigilant eye on this trend. At the talks President Reagan also said that the United States will observe the three communiques signed by China and the United States and that the United States will not interfere in the Taiwan issue. Many people have expressed the hope that through his visit to China and through holding talks with Chinese leaders and making contacts with the Chinese people, President Reagan will profoundly understand the national feelings of the Chinese people and that he will gradually remove the obstacle to the development of Sino-U.S. relations. This will greatly strengthen the mutual trust between the two countries.

The current talks between leaders of the two countries have been carried out in a friendly and serious atmosphere. Both sides expressed identical views as well as differences on international issues. In his meeting with President Reagan, General Secretary Hu Yaobang explicitly expounded China's important stand in its foreign policy, in view of the lack of sufficient understanding of China among certain Americans. This is beneficial to strengthening mutual understanding and trust between the two countries.

In the short period of President Reagan's 1 and 1/2-day visit to China, people can already see that even difficult problems can be rationally solved as long as both sides are willing to deepen mutual understanding and to trust each other. The Sino-U.S. agreement on the peaceful use of nuclear energy is a typical example. Today Sino-American friendship has taken deep roots among the people. The deeds of an American youth named John Zeidman are bearing fruit among American youths. This inspiring story about Sino-American friendship was mentioned during Premier Zhao Ziyang's visit to the United States this January and President Reagan's current visit to China.

The money donated by tens of thousands of American children brought to China by Mrs Reagan to save the pandas reflects not only their love for pandas, but, more important, their feelings toward the Chinese people and children. For the world today as well as for the future of children, people hope that the bud of Sino-U.S. friendship will be nourished by rains and dew drops and will grow sturdily without being harmed.

XINHUA REPORTS KIM IL-SONG TO VISIT USSR

OW300824 Beijing XINHUA in English 0810 GMT 30 Apr 84

[Text] Pyongyang, April 30 (XINHUA) -- Kim Il-song, president of the Democratic People's Republic of Korea and general secretary of the Central Committee of the Workers' Party of Korea, will pay an official friendly visit to the Soviet Union in late May this year, reported NODONG SINMUN here today.

The president will make the visit at the invitation of the Central Committee of the Communist Party of the Soviet Union, the Supreme Soviet of the Union of Soviet Socialist Republics and the Council of Ministers of the USSR.

DPRK DECIDES ON FURTHER SPORTS TALKS WITH SOUTH

OW281719 Beijing XINHUA in English 1605 GMT 28 Apr 84

[Text] Pyongyang, April 28 (XINHUA) -- The Democratic People's Republic of Korea has decided to send its Olympic delegation to the second-round talks with South Korea in Panmunjom on April 30 on the formation of a single national team to the 23rd Olympic Games, the DPRK Olympic Committee announced today.

According to a news report released today by the KOREAN CENTRAL NEWS AGENCY, Kim Yu-sun, chairman of the Olympic Committee of the DPRK announced the decision in his letter handed over today to Chong Chu-yong, chairman of the South Korean Olympic Committee.

Olympic representatives from the DPRK and South Korea had their first-round talks on the issue on April 9 but no agreement was reached.

Kim Yu-sun said in his letter: "The talks have not been resumed till today after the first round broke up and, to tell the truth, the responsibility for this entirely rests upon your side which, speaking for the authorities from the beginning of the talks, made a political speech alien to sports and created a grim atmosphere within and without the conference room in a premeditated manner and failed to repent for its wrong doings."

The letter says: "Showing all patience out of the single desire to realise at an early date the earnest wish of the nation for the formation of the first single national team and the sense of responsibility for quickly bringing to a conclusion the question of the formation of a single team with the 23rd Olympic Games at hand, we have decided to send to the Conference Room of the Neutral Nations Supervisory Commission at Panmunjom at 10 a.m. on April 30 the entire delegates of our side including the head of the delegation."

Kim Yu-sun strongly urged South Korea "to come out to the talks and never lay obstacles again in the way of the sports talks, speaking for the authorities, with a correct understanding of such sincere stand and magnanimity of ours."

XINHUA REPORTS DPRK OFFICIAL'S VISIT TO FRANCE

OW281803 Beijing XINHUA in English 1558 GMT 28 Apr 84

[Text] Paris, April 27 (XINHUA) -- Kang Sok-chu, vice-minister of foreign affairs and special envoy of the Government of the Democratic People's Republic of Korea (DPRK), today concluded his talks with the French authorities.

This is the first time that the Korean Government has sent a special envoy to France. The visit bears positive significance for both countries, which do not have diplomatic relations.

Since his arrival in France on April 24, Kang Sok-chu has had meetings with French Minister for External Relations Claude Cheysson, Social Affairs and Solidarity Minister Pierre Bregovoy and Special Envoy to the French Presidency Francois de Grossouvre.

During the meetings, the Korean envoy briefed the French authorities on the situation in the Korean peninsula and the views of the Government of the DPRK on the development of bilateral relations.

The French expressed the hope of seeing the reunification of Korea by peaceful means, the easing of tension in the Korean peninsula and the development of economic and cultural cooperation between the two countries.

On the issue of diplomatic relations, an official of the French Ministry of External Affairs said today that for France, the question is "how to proceed with conditions acceptable to all to establish these relations."

Between the DPRK and France, there have existed commercial exchanges and exchanges of delegations. In November, 1982, De Grossouvre visited Pyongyang as the special envoy of President Francois Mitterrand. The Korean delegation is scheduled to leave for home on April 30.

PRC-DPRK TRADE PROTOCOL SIGNED IN PYONGYANG

OW271728 Beijing XINHUA in English 1642 GMT 27 Apr 84

[Text] Pyongyang, April 27 (XINHUA) -- A trade protocol between China and Korea was signed here this afternoon. Chinese Vice-Minister of Foreign Economic Relations and Trade Lu Xuejian and Korean vice-minister of foreign trade signed the protocol. Korean Minister of Foreign Trade Choe Chong-kun and Chinese Ambassador to Korea Zong Kewen were present on the occasion.

Before the signing ceremony, Korean Vice-Premier of the Administration Council Kong Chin-tae met with the Chinese trade delegation headed by Lu Xuejian and had a friendly talk with them.

The Chinese delegation, which arrived here on April 24, will leave for home tomorrow.

LU ZHIXIAN MEETS DPRK WRITERS DELEGATION

OW271602 Beijing XINHUA in English 1508 GMT 27 Apr 84

[Text] Beijing, April 27 (XINHUA) -- Chinese Vice-Minister of Culture Lu Zhixian met here today a four-member delegation of Korean writers headed by Chong Tok-chol, vice-chairman of the Central Committee of the Korean Writers' Union. After they arrived here on April 24 at the invitation of the Chinese Writers Association, the Korean writers had met and exchanged views with chairman of the association, Feng Mu, and Chinese writers Wei Wei, Yuan Ying and Jin Jin.

JI PENGFEI SCHEDULED TO VISIT JAPAN 8-18 MAY

OW300920 Beijing XINHUA in English 0850 GMT 30 Apr 84

[Text] Beijing April 30 (XINHUA) -- Invited by the Ministry of Foreign Affairs of Japan, Chinese State Councillor Ji Pengfei would pay a good-will visit to Japan from May 8 to May 18, XINHUA learned from the Chinese Foreign Ministry today.

Ji Pengfei was one of the participants in work related to the normalization of the diplomatic relations between China and Japan in 1972.

During his visit, which is his first to Japan, he will exchange views with Shintaro Abe, Japanese foreign minister on issues of common interests and will meet with some old Japanese friends.

WANG ZHEN-LED DELEGATION ENDS JAPAN VISIT

OW271405 Beijing XINHUA in English 1319 GMT 27 Apr 84

[Text] Tokyo, April 27 (XINHUA) -- The Chinese friendship delegation headed by Wang Zhen, honorary president of the China-Japan Friendship Association, left here for home today after a three-week visit to Japan.

During the visit, the delegation had trips to Tokyo, Osaka, Kyoto, Kobe and some other places where they visited factories, farms, pastures and scenic spots.

Japanese Prime Minister Yasuhiro Nakasone had received the Chinese delegation. The delegation also met with Japanese officials in the political and business circles.

Beijing Arrival

OW271544 Beijing XINHUA in English 1501 GMT 27 Apr 84

[Text] Beijing, April 27 (XINHUA) -- Wang Zhen, honorary president of the China-Japan Friendship Association, returned here from Japan with his delegation this evening. Those who greeted them at the airport included Hu Qili, member of the Secretariat of the Chinese Communist Party Central Committee; Vice-Premier Tian Jiyun; and Wang Zhaoguo, first secretary of the Chinese Communist Youth League Central Committee. Japanese Ambassador to China Yasue Katori was also on hand.

The China-Japan friendship delegation left for Japan on April 9. Wang Zhen met Japanese Prime Minister Yasuhiro Nakasone during his stay in Japan.

JAPAN'S DEMOCRATIC SOCIALIST PARTY GROUP ARRIVES

Wang Zhen Fetes Group

OW281816 Beijing XINHUA in English 1603 GMT 28 Apr 84

[Text] Beijing, April 28 (XINHUA) -- Wang Zhen, member of the Political Bureau of the Chinese Communist Party Central Committee, hosted a welcoming banquet for a delegation of the Japanese Democratic Socialist Party (DSP) here this evening. The delegation is headed by Ryosaku Sasaki, member of the House of Representatives and chairman of the party's Central Executive Committee. The Japanese delegation arrived here yesterday for a goodwill visit at the invitation of the China-Japan Friendship Association. Wang Zhen is also honorary president of the host organization.

Hu Discusses Ties

OW291620 Beijing XINHUA in English 1446 GMT 29 Apr 84

[Text] Beijing, April 29 (XINHUA) -- China and Japan could set another fine example of countries with different social systems living in harmony, Chinese Communist Party General Secretary Hu Yaobang said here today.

In talks with a delegation from the Japanese Democratic Socialist Party [DSP] this afternoon, Hu said he had seen a good trend in new developments in Sino-Japanese relations. The most significant thing was that people inside and outside the governments of both countries had deepened their mutual understanding and trust. This is the outcome of joint efforts, he said.

Japanese Prime Minister Yasuhiro Nakasone, the Japanese Government and the parties not in power had all made efforts to promote friendly ties, he added.

Both of us should treasure the existing friendship between our two countries and make the next century into one of Sino-Japanese friendship, Hu said.

The delegation is led by Ryosaku Sasaki, chairman of the Japanese party's Executive Committee and member of the House of Representatives of the Japanese Diet.

Wang Zhen Attends Banquet

OW291722 Beijing XINHUA in English 1610 GMT 29 Apr 84

[Text] Beijing, April 29 (XINHUA) -- The visiting Japanese Democratic Socialist Party delegation gave a return banquet here this evening. Wang Zhen, member of the Political Bureau of the Chinese Communist Party Central Committee and honorary president of the China-Japan Friendship Association, and Vice-President of the Association Sun Pinghua were present. The delegation led by Ryosaku Sasaki, chairman of the Japanese party's Central Committee and member of the House of Representatives will visit Shanghai, Hangzhou, Guangzhou and Shenzhen.

TRADE UNION DELEGATION LEAVES AFTER JAPAN VISIT

OW281233 Beijing XINHUA in English 1101 GMT 28 Apr 84

[Text] Tokyo, April 28 (XINHUA) -- The All-China Federation of Trade Unions delegation headed by its Vice-President Luo Gan left here for home this afternoon. The delegation had visited Japan at the invitation of the Japanese Confederation of Labor. During its stay in Japan, hosts and guests reached agreement on the increase of China-Japan friendship and the promotion of economic cooperation and technical exchange between enterprises of the two countries. The delegation visited a productivity research institute, an atomic power plant and several enterprises in Tokyo, Kyoto and Osaka. It also held meetings with Japanese Minister of Labor Sakamoto Misoji and leaders of several trade unions.

PRC SWIMMERS WIN TWO MEDALS AT SEOUL MEET

OW290856 Beijing XINHUA Domestic Service in Chinese 1734 GMT 28 Apr 84

[Excerpts] Beijing, 28 Apr (XINHUA) -- The Second Asian Swimming Championships opened in Seoul on 28 April, according to foreign press reports from Seoul. Chinese and Japanese swimmers each won two medals in four finals today.

About 250 swimmers from 17 countries and regions took part in the championships, which are divided into swimming, diving and water polo categories with 34 gold medals at stake. Chinese athletes are participating only in the swimming and diving events. The championships will end on 3 May.

SPOKESMAN ASKS VIETNAM TO STOP PROVOCATIONS

OW290725 Beijing XINHUA in English 0705 GMT 29 Apr 84

["Vietnamese Authorities Must Stop Border Provocations and Intrusions, Says Chinese Foreign Ministry Spokesman" -- XINHUA headline]

[Text] Beijing, April 29 (XINHUA) -- A spokesman of the Chinese Foreign Ministry, in an interview with XINHUA today, warned that the Vietnamese authorities must stop their provocations and intrusions along the Sino-Vietnamese border, otherwise they will have themselves to bear all the responsibilities. The spokesman said: "Over a long period, Vietnamese troops have kept making military provocations against China along the Sino-Vietnamese border. As a result, Chinese frontier guards in Yunnan and Guangxi have recently been forced to return artillery fire at the Vietnamese troops."

"However," he added, "again in disregard of the stern warning of the Chinese side, the Vietnamese authorities have been bent on further aggravating tension along the border. Not only have they continued shelling on China's border areas and sending armed personnel to intrude into these areas, they have also built fortifications and strongholds on China's territory and wilfully carried out sabotage and raids against China's border villages and inhabitants. This has caused a serious loss of life and property to Chinese inhabitants and made normal spring ploughing impossible in these border areas. At the same time, the Vietnamese authorities have intensified their anti-China clamours and even spread rumours about Chinese troops invasion into Vietnamese territory in an attempt to deceive world opinion and cover up their own crimes like a thief crying 'stop thief'."

The spokesman stressed: "China's consistent position is: 'We will not attack unless we are attacked; if we are attacked, we will certainly counter-attack.' It is in keeping with this principle that Chinese frontier guards have fought back in self-defence against the Vietnamese troops that are harrassing, sabotaging, intruding into and nibbling at China's border areas. We have hit back at the intruders on our own land for the very purpose of exercising our sacred right of self-defence to protect China's frontier. This action is entirely just."

"The Vietnamese authorities must stop forthwith their provocations and intrusions along the Sino-Vietnamese border. Otherwise they will only have themselves to blame and bear all the responsibilities," the spokesman concluded.

FORCES IN YUNNAN COUNTERATTACK SRV TROOPS

OW281424 Beijing XINHUA in English 1403 GMT 28 Apr 84

["Chinese Counterattack Against Vietnamese" -- XINHUA headline]

[Text] Yunnan front line, April 28 (XINHUA) -- (Frontline reporters) -- Chinese frontier guards today hit back at Vietnamese troops at Laoshan, in Malipo County, Yunnan Province, killing all the Vietnamese in fierce fighting. The battle began in the early morning hours. Under the cover of artillery fire, the Chinese frontier guards launched a counter-attack on Vietnamese forces which earlier occupied parts of the mountainous region. The Vietnamese resisted stubbornly from prebuilt fortifications. But by 2:00 p.m., all the fortifications had been destroyed. The Vietnamese later attempted to retake the positions, but were driven back after suffering a number of casualties.

Chinese troops in the area are still reported on full combat alert.

Intensified Harrassment Reported

OW280524 Beijing XINHUA in English 0509 GMT 28 Apr 84

["Vietnamese Forces Intensify Armed Provocations Against Chinese Border Areas" -- XINHUA headline]

[Text] Beijing, April 28 (XINHUA) -- The Vietnamese armed forces have since the beginning of this month intensified their harassment of China with armed provocations, intrusion and continuous territorial nibbling, according to reports from the frontlines in Guangxi and Yunnan.

During this period, the Vietnamese forces along the border have fired more than 10,000 rounds on densely-populated Chinese villages and towns in Guangxi's Fangcheng, Ningming, Pingxiang, Longzhou, Daxin, Jingxi and Napo and Yunnan's Funing, Malipo, Maguan, Hekou and Jingping.

Along the Yunnan border alone, the Vietnamese have fired and shelled on more than 120 occasions, killing or wounding over 40 Chinese frontier guards and civilians. The Vietnamese have fired tens or hundreds of shells each day this month on Tianbao farm in the Panlong River valley in Yunnan Province, halting production on the farm and traffic in the area. Classes at seven of the farm's middle schools have been suspended.

In Dongxing town, Fangcheng County, Guangxi, the Vietnamese fired more than 1,000 shells, destroying many houses and public installations. Many living quarters in Pingmeng Commune, Napo County, were also destroyed.

Territorial nibbling and armed harassment have also been intensified during the period, the reports said. Vietnamese soldiers have crossed into Chinese territory to build fortifications, dig trenches and erect barbed wire. Armed Vietnamese special agents have also entered China to lay mines, rob local inhabitants and attack and kidnap peasants working in the fields. 16 such incidents took place in the past 20 days in Guangxi border.

Mines were laid in 90 places in seven communes in Jinping County, killing or wounding people and animals.

Along the border in Jinping and Funing Counties, Yunnan Province, the Vietnamese have gone so far as to occupy Chinese territory, the sources added.

Normal Life Resumes

OW291732 Beijing XINHUA in English 1625 GMT 29 Apr 84

[Text] Yunnan front line, April 29 (XINHUA) -- Normal life has been resumed at Laoshan in Malipo County, Yunnan Province, after Chinese frontier guards yesterday hit back at Vietnamese troops who earlier occupied parts of the mountainous region.

Local peasants of the Zhuang, Miao and Yao minorities, who had been hiding in caves to avoid Vietnamese fire, have returned to their homes and started working in the fields.

Classes of a local school which had suspended operation for two months are now resumed.

PRC ENVOY WALKS OUT OF HANOI LABOR DAY MEETING

BK300632 Hong Kong AFP in English 0614 GMT 30 Apr 84

[Excerpt] Hanoi, April 30 (AFP) -- China's ambassador to Vietnam, Qiu Lixing, today walked out of a meeting organized here to commemorate both the communist victory in Saigon on April 30, 1975, and May 1, Labor Day. The Chinese ambassador left the meeting as Pham The Duyet, secretary general of Vietnam's trade union, speaking before top government officials, "vehemently" condemned "Beijing's hostile policy against the three Indochinese countries (Vietnam, Laos and Cambodia)."

He demanded that China "immediately end its acts of aggression, provocation and encroachments on Vietnam." China and Vietnam have been involved in a series of skirmishes at their common border since the beginning of this month.

Mr Duyet went on to say that China's actions "seek to strengthen the morale of the Khmer Rouge and other Khmer reactionaries who are now being pursued and punished (by Vietnamese troops)." Tension at the Sino-Vietnamese border has coincided year with fighting near the Cambodian-Thai border between Hanoi's expeditionary force there and Beijing-backed Cambodian guerrillas.

Mr Duyet said that the current China trip of U.S. President Ronald Reagan was further proof "of collusion between imperialism and expansionism, against the Soviet Union and Vietnam."

The official party newspaper NHAN DAN today denounced "the diabolical alliance...the campaign of China and the United States against Moscow and Hanoi."

CORRESPONDENT VIEWS SRV CRIMES IN KAMPUCHEA

OW290748 Beijing in Vietnamese to Vietnam 1400 GMT 27 Apr 84

[By correspondent (Ma Tiyun): "Villagers Boiling With Hatred"]

[Excerpt] Our convoy finally reached the Thai-Kampuchean border. Dense forests sprawled in front of us. Some checks made, I and my fellow travelers crossed a small bridge spanning a border river into Kampuchean territory. We were going to Ampil village for a visit at the invitation of Mr Son Sann, prime minister of the Coalition Government of Democratic Kampuchea.

When we reached the border of the village, clusters of thatch-roofed and vinyl-covered shacks nestled deep in the forest came into view. Wide-eyed and ragged elders, women, and children watched us, people of a different skin color. They were, as we learned, refugees fleeing the Vietnamese aggressors' domination. The 4,000 people that were inhabiting Ampil village all came from inside Kampuchea following the Vietnamese invasion of Kampuchea. In order to defend their national independence and expel the Vietnamese aggressors, most of the local youths and middle-aged men have taken up arms and joined the war of resistance against the Vietnamese aggressors. Only the old and infirm, women, and children remained behind.

As we moved along a forest path, we suddenly heard wailing from afar. The KPNLF spokesman who accompanied us said the Vietnamese were regularly shelling the village, killing innocent people. That evening, he continued, some children of that family had been killed by the shelling.

Standing in front of her shack, an old woman with both hands cut off denounced to us the atrocities of the Vietnamese troops' destruction of Ampil village. She said one night when she was lulling her two grandchildren to sleep, she suddenly heard a thud in the distance. No sooner had she sat up than a mortar shell exploded right behind her shack.

She hurried to pick up her grandchildren, but failed to touch them: her hands had been chopped off by the shell explosion. She fainted, and in a daze she heard her grandchildren's cries and the villagers screaming for help. When she came to at dawn she found villagers bandaging her and other victims. "My grandchildren, my grandchildren, where are they?" she screamed. A silent answer let her know that she had lost her two grandchildren as well as her son and daughter-in-law.

As we continued our trek along a winding path deep in the forest, we occasionally heard blood-and-tears denunciations of the Vietnamese aggressors' crimes by the refugees.

Following the occupation of Siem Reap, a Kampuchean girl and her brother bade farewell to their parents and fled from the aggressors. In order to escape from the enemies, she had to disguise herself as a man, and only after numerous dangers did she finally arrive in Ampil village. Later she learned from other refugees that the Vietnamese aggressors accused her parents of complicity with the guerrillas and killed them.

Pointing to the scars on his shoulders and face, a Kampuchean youth angrily said: The Vietnamese aggressors bayoneted me during my flight to this area. This is a blood debt, and they will have to pay for it. Before long, I will take up arms and kill the enemies.

At lunch, seated in front of bespectacled, gray-haired Mr Son Sann, I asked: Do you and the other leaders believe that all the Vietnamese aggressors will be expelled? The histories of world nations and of Kampuchea, he said, prove that aggressors are ultimately defeated. In answer to another question, do you and other leaders think cooperation with the other anti-Vietnam resistance forces is possible? Mr Son Sann replied unequivocally: We are all Khmers. Our political views differ, that is true, but we cannot allow the Vietnamese tiger to go on a rampage in Kampuchea and swallow up our people.

NEW ZEALAND LABOR PARTY REPRESENTATIVE VISITS

Meets Qian Liren

OW271704 Beijing XINHUA in English 1622 GMT 27 Apr 84

[Text] Beijing, April 27 (Xinhua) -- Qian Liren, head of the International Liaison Department of the Chinese Communist Party Central Committee, met and feted Congresswoman Margaret Ann Hercus of the New Zealand Labor Party and her husband John Hercus, a member of the Labor Party Executive Committee.

Present was Zhu Liang, deputy head of the Liaison Department.

Meets Ji Pengfei

OW291733 Beijing XINHUA in English 1449 GMT 29 Apr 84

[Text] Beijing April 29 (XINHUA) -- Chinese State Councillor Ji Pengfei met here today with Mrs. Ann Hercus, congresswoman of the New Zealand Labor Party, and other New Zealand guests.

WAN LI, SONG RENQIONG ATTEND SICHUAN PARTY PLENUM

HK280653 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 28 Apr 84

[Text] The third enlarged plenary session of the Fourth Sichuan Provincial CPC Committee was convened in Chengdu from 21 to 26 April. Members of the provincial CPC Committee, Advisory Committee, and Discipline Inspection Committee, and principal responsible people from prefectural and city CPC committees and from party groups of departments and bureaus, totaling over 200 people, attended.

The session listened to comparison and examination work carried out by the provincial CPC Committee in its party rectification, and launched serious and earnest criticism and self-criticism. A vigorously democratic atmosphere prevailed at the session.

Wan Li and Song Renqiong, members of the CPC Central Committee Political Bureau, who are currently in Chengdu, showed extremely great concern about this session. They received all the participants and made important speeches at its conclusion. Comrades of the Sichuan Liaison Group and of the Office of the Central Commission for Guiding Party Rectification also took part in the session.

Party rectification in the provincial CPC Committee Standing Committee commenced last December. On the basis of serious self-study, on 6 January the Standing Committee started concentrated study and discussion of the central decision on party rectification and other party rectification documents, and conveyed and discussed the important speeches of Comrade Hu Yaobang delivered during his inspection of Sichuan and Guizhou. In late January the Standing Committee proposed initial views on its main problems. In the second half of February the Standing Committee held various meetings and adopted a variety of methods to listen to the views of the provincial Advisory Committee, People's Congress Standing Committee, and CPPCC, nonparty figures, and the provincial departments. It then convened a meeting of secretaries of prefectural and city CPC committees, to listen to their views.

The committee switched to the stage of comparison and examination in early March. After full discussion and preparation, from 22 March to 2 April it conducted collective and individual comparison and examination, unfolded criticism and self-criticism, summed up experiences and lessons, and studied and put forward ways to improve things.

It was on this basis that this enlarged plenary session was convened. It showed further deepening of party rectification in the provincial CPC Committee Standing Committee and will play a [words indistinct] positive and stimulating role in future party rectification.

The enlarged plenary session made a basic evaluation of the situation in Sichuan and the work of the provincial CPC Committee since the 3d Plenary Session of the 11th CPC Central Committee. It held: The several years since the third plenary session have been one of the best periods for Sichuan since the founding of the state. We have reaped bumper harvests in agriculture every year, while a sustained rise has been recorded in industrial production. The people's material and cultural living standards have gradually improved. Party style and social mood have gradually taken a turn for the better. The political situation of stability and unity has been continually consolidated and developed.

Since the fourth Sichuan provincial party congress last year, new progress has been made in work in the province on the foundation laid by the third provincial CPC Committee. The momentum of development has been very good. Total industrial and agricultural output value in 1983 was 10.4 percent more than in 1982.

This included a 12.8 percent rise in industrial output value and a 7.3 percent increase in agriculture. The province achieved synchronous increase of industrial output value, economic results, and financial revenue. Total grain output broke through the 80 billion jin barrier. Average net income per peasant household rose by over 15 yuan compared with 1982. New progress has also been made in party building, the building of spiritual civilization, and all other work.

The province's achievements and progress in the past few years have been gained by the common efforts of the party, government, Army, and people of the whole province under the correct leadership of the CPC Central Committee. All the leadership groups of the provincial CPC Committee since the third plenary session have maintained political unity with the CPC Central Committee and have made great efforts in their work. There has also been good unity and cooperation among their members.

However, judged by attaining the demand put forward by the CPC Central Committee for creating a new situation in all fields of socialist modernization, there have also been many shortcomings and problems in the leadership work of the provincial CPC Committee. These are mainly expressed as follows: We have not done enough in emancipating our minds, and the influence of remnants of leftism has not been eliminated; we lack the spirit of bold reform and pioneering and clearing the way in order to forge ahead; we have not had penetrating discussions on the major affair of creating a new situation in work in Sichuan; we have not done enough consideration of the strategic problems in economic and social development in the province. In ideological and political leadership, there is a certain degree of weakness and laxity. Implementing the principle of democratic centralism and practicing the system of division of work under collective leadership are not on a sound enough basis or sufficiently perfected. In leadership style, there is bureaucratism and lack of thoroughness.

The provincial CPC Committee Standing Committee carried out a serious examination of these problems. The self-examinations of the individual members of the committee were printed and distributed to the comrades attending the session, who seriously discussed them and carried out earnest criticism.

The session held: The main key to creating a new situation in all work in Sichuan is to continue to eliminate leftist influence. Leftist influence is the invisible rope causing lack of sufficient emancipation of our minds. It is the obstacle preventing us from carrying out reform in big strides. It is an obstruction to opening up to the world and enlivening the domestic economy. It is also the reason why the series of party policies cannot be implemented very well. Leftist things have existed for a long time and their roots are rather deep. It always happens that when these have been solved in one issue, they crop up in another. We must fully estimate their tenacity, continue to eliminate leftist influences, and untie the ropes binding the thinking of the cadres and masses.

Based on the spirit of emancipating the mind, persistently carrying out reform, relaxing the policies, and enlivening the economy, the session proposed more than 50 specific policy and reform measures in 8 fields. These eight fields were as follows: 1) Hand down, to an appropriate extent, the provincial management powers to the lower levels; 2) popularize the experiences of Chongqing and speed up the pace of urban reform; 3) institute contract responsibility systems of various types in state-owned enterprises; 4) actively support the development of urban and rural collective enterprises; 5) stimulate reorganization and the formation of combines, and promote technological advance; 6) further enliven rural commodity circulation; 7) further reform finance and revenue work; and 8) further expand the decisionmaking powers of enterprises owned by the whole people.

The session held discussions on a number of strategic issues in the province's economic, scientific and technological, and social development, including firmly basing ourselves on agriculture, taking advantage of our superiority in resources, readjusting third-line agriculture, developing communications and energy, stepping up the exploitation of mental power, and boldly opening up to the world. The session also proposed a number of strategic ideas regarding economic development in the whole province.

In eliminating leftist influence, it is also necessary to seriously do a good job in implementing policies in all fields, such as on intellectuals, cadres, the underground party, nationality, religion, the united front, Overseas Chinese affairs, and KMT personnel who came over to our side. We must speed up the pace of implementing each policy. At the same time, it is necessary to actively promote reforms in the organizational and personnel systems, step up the building of the third echelon force, and further achieve the four transformations of the leadership groups and the cadre force.

The session stressed: In carrying out party rectification, it is first necessary to grasp unifying thinking as the key link, correct the ideological and political line, and ensure that the work guidelines are subordinate to and serve the whole party's goal. At the same time, we must get a vigorous grasp of correcting party style. We must wage a resolute struggle against malpractices in using power for private purposes and the bureaucratism of irresponsibility to the party and people. It is particularly necessary to grasp the elimination of bureaucratism as a major issue. The idea that a little bureaucratism does not matter much is extremely wrong. We must be resolved to grasp typical cases of serious bureaucratism in causing great losses to the party and state by neglect of duty and dilatoriness, and deal with them seriously according to party and government discipline and state law. At the same time we must get a thoroughly good grasp of weeding out people of the three categories.

The comrades attending the plenary session said happily: The comparison and examination done by the provincial CPC Committee Standing Committee has set a good lead for the party rectification in the whole province. The policy measures of reform, relaxation, opening up, and enlivening proposed by the provincial CPC Committee are important fruits of the Standing Committee's party rectification. If these are added to the series of measures for simultaneous rectification and correction of defects, work in the province will register relatively great progress, and a brand new situation is sure to appear in economic, scientific and technological, and social development in the whole province.

HU QILI ADDRESSES MAY DAY RALLY 28 APRIL

OW281815 Beijing XINHUA in English 1626 GMT 28 Apr 84

[Text] Beijing, April 28 (XINHUA) -- Hu Qili, member of the Secretariat of the Chinese Communist Party Central Committee, today called on Chinese workers to improve their own standards in order to shoulder the task of realizing the country's socialist modernization program and meet the challenge of the new technological revolution. Hu Qili was speaking at a rally held here this afternoon in the Great Hall of the People to celebrate May Day, international labor day. It was attended by 6,000 people from all walks of life.

In order to achieve the modernization program, Hu said, workers must improve their ideological, political, scientific, and educational qualities. On the one hand, they should study the principles of Marxism-Leninism-Mao Zedong Thought, the history of social development, and the history of Chinese revolution so as to be aware of their own historical mission and their status as masters of the country.

On the other hand, he said, the workers must learn modern science and technology and managerial expertise in order to qualify themselves as builders of socialist material civilization and socialist culture.

Chinese workers must act as a powerful backing force for the party and the government, do their own job well, and carry forward the revolutionary spirit of solidarity and devotion, he said. The excellent economic and political situation in the country proves that the policies of opening to the outside world and enlivening the domestic economy are correct and conform with the wishes of the people, he added. The whole party should do a good job of guiding economic construction and party consolidation this year, Hu Qili said. In economic work, he said, the emphasis should be on carrying out economic and other reforms and going a step further in opening to the outside world.

"Intellectuals are part of the Chinese working class and must be relied on in both revolution and construction," Hu noted. He urged workers to learn from intellectuals and support the measures taken by party committees and governments at all levels to create better work conditions for them. "Intellectuals should also learn from workers, take part in production, and help workers improve their educational and technical standards," he said.

Hu Qili said workers should strive for the reunification of the motherland together with all Chinese people, including Taiwan, Hong Kong, and Macao compatriots and Overseas Chinese. Hu also urged Chinese workers to unite with the world's proletariat, the oppressed nations and people, and all peace-loving and justice-upholding organizations and peoples to oppose hegemonism, maintain world peace, and promote the progress of mankind.

Attending were Ulanhu, vice-president of the People's Republic of China; Ni Zhifu, member of the Political Bureau of the CPC Central Committee and president of the All-China Federation of Trade Unions; and Yao Yilin, vice-premier of the State Council.

XI ZHONGXUN, LEADERS VISIT TOURISM EXHIBITION

OW292006 Beijing XINHUA Domestic Service in Chinese 1308 GMT 29 Apr 84

[By reporter Shi Baohua]

[Excerpt] Beijing, 29 Apr (XINHUA) -- A large-scale national exhibition of tourism goods and handicraft articles for domestic sales opened in the Beijing Exhibition Center today.

Xi Zhongxun, Yu Qiuli, Hu Qiaomu, Deng Liqun, Wang Ping, Liu Lantao, Xiao Ke, Cheng Zihua, Wang Heshou, Bainqen Erdini Qoigyai Gyaincain, Zhang Jingfu, Zhang Aiping, Wang Bingqian, Hong Xuezhi, Hu Ziang, Xiao Hua, Chen Zaidao, Zhou Peiyuan, and Burhan visited the exhibition today.

SONG RENQIONG VISITS SATELLITE LAUNCH SITE

HK271129 Beijing RENMIN RIBAO in Chinese 26 Apr 84 p 3

[Report: "Song Renqion Goes to Satellite Launch Site to Visit Personnel Participating in Satellite Experiments"]

[Text] On 23 April, Song Renqiong, a member of the Political Bureau of the CPC Central Committee, inspected the launch site of the recent experimental communications satellite and extended his best regards to personnel participating in the launch.

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He was shown around the launch ground and the space telemetry and control center. He also listened to a briefing given by leading comrades on the site, and mounted, full of zest, the launch pad of the satellite. He paid warm tribute to the personnel's revolutionary spirit of working hard to develop China's astronautics technology and expressed the hope that they would make persistent efforts to achieve greater success.

CENTRAL DISCIPLINE COMMISSION MEMBER YAN DIES

HK280147 Guangzhou Guangdong Provincial Service in Mandarin 1100 GMT 27 Apr 84

[Excerpts] Comrade Yan Fusheng, member of the Central Discipline Inspection Commission and former adviser to the Guangzhou PLA units, died of heart disease in Guangzhou at 2145 on 7 April. A memorial service was held in Guangzhou on 27 April. Hu Yaobang, Ye Jianying, Deng Xiaoping, Zhao Ziyang, Li Xiannian, Chen Yun, Xu Xiangqian, Nie Rongzhen, Xi Zhongxun, and Yang Shangkun sent wreaths.

Commander You Taizhong of the Guangzhou Military Region presided at the memorial service. Political Commissar Wang Meng delivered the memorial speech. Wreaths were also sent by Wang Zhen, Yu Qiuli, Yang Dezhi, Wei Guoqing, Song Renqiong, and Li Desheng.

PLA TO MARK 4 MAY MOVEMENT ANNIVERSARY

OW300732 Beijing Domestic Service in Mandarin 1000 GMT 25 Apr 84

[Text] The PLA General Political Department has issued a circular commemorating the 65th anniversary of the 4 May Movement. The circular says that in commemorating the 4 May Movement this year, it is important to mobilize the youth to learn the glorious traditions of the 4 May Movement and the great revolutionary practices of the proletarian revolutionaries of the older generation; to publicize the brilliant achievements in China's socialist construction over the past 35 years since the founding of the People's Republic, particularly those since the 3d Plenary Session of the 11th CPC Central Committee; and to urge PLA cadres and fighters to continue their hard work and make new contributions in creating a new situation in army building.

The circular requires the various units promote various kinds of educational activities during the period commemorating the 4 May Movement, including organizing the young people to call on veteran revolutionaries and visit revolutionary sites and martyrs' cemeteries, sponsor report meetings on the deeds of young heroes and models, and hold meetings on reading and speech making.

RENMIN RIBAO QUESTIONS HANDLING OF XIAN CASE

HK270333 Beijing RENMIN RIBAO in Chinese 23 Apr 84 p 3

[Report by correspondent Dang Jizhi: "Sequel to 'Qixianzhuang Village in Xian City Today' -- More About 'Several Very Unusual Things' in Xian City Cement Plant"; see items headlined "Hu Yaobang Stresses Report on Xian Intellectuals," and "RENMIN RIBAO on Case of Intellectuals in Xian," published, respectively, in the 20 April and 25 April editions of the China DAILY REPORT]

[Text] Following the publication of the report "Qixianzhuang Village in Xian City Today," (see page 3 of the 6 April edition of RENMIN RIBAO for details) I received a number of letters from the readers.

They raised such questions as: How can there be so many "very unusual things?: I would like to provide some more information to our readers.

When the people of virtue and ability in the "Qixianzhuang" (Note: This refers to the technical section of the factory) of the Xian cement factory were treacherously attacked in 1981 and were left idle for a long time, the inspiring spring breeze of the 12th CPC Congress once again stirred up their spirit. They broke through numerous barriers, on their own initiative undertook the task of designing the new production line of the Tongchuan City Dongfeng building materials plant, planned to increase the production capacity of the plant from 40,000 tons to 80,000 tons, and once again fully utilized their talent. But these events underwent a tortuous course: In early 1983, the agent of the Tongchuan City building materials plant came to discuss the problem of inviting Zhang Fawen and other engineers to help them in the designing of the new production line. When the agent contacted the Deputy Director Yang Yongmou, Yang said: "How can you trust people whom we are not even utilizing?" With the arrangements made by some influential people and through other means, the engineers were finally allowed to leave with the agent. After arriving at Tongchuan, the engineers settled down in the mountain valleys. Through nearly 6 months' painstaking work, the design task was completed on schedule. Although they earned a sum of money for the cement factory, and although the director of the Dongfeng building materials plant went, in spite of the rain, to the Xian City cement factory to present a silk banner and a letter of thanks, Yang Yongmou refused to receive him and accept the things he presented. Is this not an unusual thing?

In October 1983, Li Naiheng was promoted to the post of deputy factory director. The first thing he did after taking charge of production was to hand over the crushing section of the raw materials workshop, including equipment and technicians, to the casual laborers for management. Not long afterwards, the crusher was seriously damaged in an accident due to the casual laborers' poor management. The damage to this large machine, which could handle a capacity of 130 tons per hour, affected the entire production line.

As a result, the production of the factory was suspended for over half a month and there was a decrease of at least 30,000 tons in the amount of stone crushed, which caused immense loss to the factory. After the crusher was repaired, instead of drawing lessons from the losses, the section was again handed over to the casual laborers for management. The staff members indignantly asked Li Naiheng: "Why should the section be handed over to the casual laborers since so many of our workers have no work to do?" Li replied: "The casual laborers are obedient, and I insist in doing what I want!" Is this not unusual?

By the end of 1983, the cement factory was still suffering from deficits and it seemed that there was no hope for annual bonuses. In spite of the urgent circular on curbing price hikes of the means of production and the provision on checking the indiscriminate issue of bonuses, Li and his kind violated the state price policy about the planned allocation of cement and handed thousands of tons of cement to a shop run by young people, who were awaiting jobs, to sell at high prices. The illegally earned money was regarded as "bonuses" and issued. From 9 to 30 December, under various pretexts, each worker received goods and cash equivalent to 114 yuan. By way of contrast, the units that came to pick up the goods according to quotas allotted by the state could not get any cement. Is this not very unusual?

In 1983, that very Li Naiheng contracted two projects with the casual laborers on the "transformation of the production line." According to the 21 items of the two projects submitted, the casual laborers "disbursed" over 9,000 yuan for the building charges. However, after careful examination, 13 out of the 21 items were found to be fabricated. In light of the figures verified by the capital construction office, the casual laborers should have been paid only 3,700 yuan.

The extra money amounting to over 5,000 yuan should of course be recovered. Under the excuse that these casual laborers were "honest" and "pitiful," Li Naiheng and Yang Yongmou refused to recover the extra amount paid. In addition, Li threatened Comrade Chang Yinchuan, a cadre of the capital construction office who took part in checking the figures, and said: "How dare you involve me in the case? The accounts handled by you in the past must be checked immediately!" Is he not very fierce?

In late February 1984, Shaanxi conducted a provincial inspection on cement quality with the participation of responsible technical people from various prefectures, cities, and counties. The inspection team took a sample from the cement produced by the Xian City cement factory and delivered it to the designated testing unit, the state-owned Yauxian County cement factory, for a chemical analysis. The results of the examination proved the stability of the cement negative. Li Naiheng was deputy director of the factory in charge of production and technology and his wife was head of the laboratory. Li knew the seriousness of the case and was thrown into confusion. Under the pretext that "the casual laborers took the wrong sample," he hatched a plot and demanded that another sample be taken for reexamination. Consequently, Li Naiheng personally took the so-called new sample and, together with one of the members of the inspection team, went to the Yauxian County cement factory in their factory car to make the "reexamination." People may ask: How, in such a serious matter, can the sample be wrongly taken? Who is supporting Li Naiheng from behind in a brazenly practicing fraud? Who is the man overriding the inspection team and permitting Li Naiheng to run wild?

Concerning the perverse acts of Li Naiheng, the workers of the cement factory were extremely indignant and repeatedly reported the situation to the departments concerned at the higher levels. They even went direct to the city CPC Committee to make complaints. Since October 1983, the 1,100 tons of cement in the 7 warehouses of the factory have not been delivered due to the unstable condition of the cement, which has affected the progress of projects in many units.

From January to March this year, the output of cement was only 35 percent of the plan for the first quarter, causing a large deficit. The city authorities should be aware of this state of affairs.

It is incomprehensible that the city CPC Committee and the departments concerned did not take any measures to punish Li Naiheng and his kind, but promoted them and put them in important positions. Why? And why is Hu Zhaoming, who turned the deficits of this factory into profits, consigned to limbo for 3 years with no one taking an interest in the matter?

LI DESHENG VIEWS SEEKING TRUTH FROM FACTS

HK300419 Beijing REMNIN RIBAO in Chinese 20 Apr 84 p 5

[Article by Li Desheng: "Persistently Seeking Truth From Facts Is the Key To Unifying the Thinking of the Whole Party" -- first published in Liaoning LILUN YU SHIJIAN [THEORY AND PRACTICE] No 4, 1984]

[Text] The central authorities have stipulated that the tasks of the current party rectification are to unify ideology, improve work style, strengthen discipline, purify, and organize. Of these, unifying ideology is the most important. Only when the ideology of the whole party is highly unified can the fulfillment of other tasks have a reliable basis and a firm guarantee, and can we prevent the perfunctory and superficial manner of conducting party rectification. Hence, we must attach great importance to the work of unifying ideology, exert our utmost efforts in doing the work well, and pay attention to upholding their work throughout the course of the party rectification.

The history of the party has proven that the correctness or incorrectness of the political line determines the success or failure of the revolution, and also determines whether or not the unification of the ideology of the whole party can truly be realized. Furthermore, the birth of a correct political line must be based on the ideological line of seeking truth from facts.

The repeated "leftist" mistakes committed by our party since the late 1950's were due to the deviation from the ideological line of seeking truth from facts, and the overall correction of the "leftist" mistakes and bringing order out of chaos practices by our party since the 3d Plenary Session of the 11th CPC Central Committee began precisely with the restoration of the ideological line of seeking truth from facts. Under the guidance of the principle of seeking truth from facts, through summing up the historical experiences and conscientious investigations and study, we have seen relatively clearly the situation of our country, and on this basis have formulated the political line in the new historical period as well as a series of principles and policies in line with practice. Thus, a prerequisite for unifying the ideology of the whole party has been provided for universal observance.

The party's line, principles, and basic policies since the 3d Plenary Session of the 11th CPC Central Committee are all correct, and the problems of being "left" or right are nonexistent. In this respect the majority of our comrades have firm faith, because they uphold seeking truth from facts in looking at things and regard practice as the criterion for testing truth. Even though at the beginning of implementing these correct lines and principles some people had certain doubts or worries, they nevertheless soon changed their attitude in face of the profound changes and the excellent situation on various fronts taking place in our country, and they become confident in the party's line, principles, and policies, thus keeping in line with the CPC Central Committee. This should be regarded as a matter of course, having no cause for criticism. However, it should be noted that even up to the present time, there are still a small number of comrades who are affected by the erroneous "leftist" or rightist ideology and fail to keep in line with the central authorities on some important political matters, such as the party's line and objective. If analyzed from the roots of ideology, the problem lies in the failure to firmly establish the ideological line of seeking truth from facts.

People with "leftist" ideology are accustomed to looking at things according to books or based on past "set rules." Therefore, they are puzzled by the great struggle of bringing order out of chaos conducted by the party in the new historical period, with the people of the whole country taking part. With regard to the line, principles, and basic policies formulated by the party through integrating the four basic principles with the concrete practice of our country under the current historical conditions, which have been implemented since the 3d Plenary Session of the 11th CPC Central Committee, they feel that there is a "rightist" trend, or a "deviation," and some even criticize the party's line and term it as "a violation of Marxism-Leninism and Mao Zedong Thought." Politically, these comrades have been accustomed to "taking class struggle as the key link," and are prone to blame criminal cases and economic crimes as the consequences of "casting off the key link." Economically, these comrades have been accustomed to "being large in size and collective in nature" in terms of the system, and to egalitarianism in terms of distribution, and are therefore skeptical about the party's policy of opening to the outside world and enlivening the domestic economy, doubting whether it deviates from the orientation of socialism. Ideologically and culturally, these comrades still retain the old habit of slighting knowledge and of harboring a kind of prejudice against intellectuals, and even regard the emergence of the tendency of bourgeois liberalization as the result of implementing the policy toward intellectuals. Obviously, such a perception distorts the scientific nature of the four basic principles and deviates entirely from the situation of our country and the reality of today.

Since the 3d Plenary Session of the 11th CPC Central Committee, we have attached special importance to eliminating the influence of the "leftist" ideology, which has played a very important role in bringing order out of chaos and in realizing the great historical change. However, the erroneous "leftist" ideology has a long history and has taken deep root, and has an extensive and solid social basis in our country, which is far from being radically eliminated in a short time. This can be demonstrated by the fact that some people have the habit of resorting to "leftist" solutions whenever they see or hear anything wrong, thereby leading to the "recurrence" of past practices. At present, when executing the party's line, principles, and policies, such as the policy toward the rural areas, the policy toward intellectuals, the policy of united front work, and the policy of opening to the outside world, it is still necessary to give prominence to solving the problem of the remnants of the "leftist" ideology. Otherwise, it will be hard to be in keeping with the CPC Central Committee politically. However, while opposing the "leftist" mistakes, it is necessary to keep an eye on the rightist tendency. In short, in rectifying the "leftist" mistakes or the rightist mistakes, it is necessary to make a concrete analysis of concrete problems, do things with an objective in mind, and seek truth from facts. If we deviate from seeking truth from facts, it will not be possible for us to distinguish between "leftist" trends and rightist trends, nor will it be possible for us to adhere to the four basic principles and to comprehend the correctness of the party's line since the 3d Plenary Session of the 11th CPC Central Committee. In this case, the realization of unifying the ideology of the whole party will become an empty phrase without practical substance.

In realizing the unification of the ideology of the whole party, it is not only necessary to resolve the problem of correctly understanding the political line of the party, but also necessary, and in fact more important, to resolve the problem of implementing the party's political line in practice. Seeking truth from facts is not only the basis for correctly formulating the party's principles and policies, but is also the prerequisite for the whole party to implement these principles and policies in a conscious and creative manner. Only when we, in any time and under any circumstances, combine the party's line, principles, and policies with the concrete practice of our specific region, department, or unit, proceed from our concrete conditions, carry out a correct professional line, and dare to break new ground in our work, can we change the party's line, principles, and policies into a practical and strong material force and be in keeping with the central authorities in our ideology, understanding, and words, as well as in our practical actions. If we do not combine the principles and policies of the central authorities with our practical work and only know how to copy and relay the instructions of the central authorities and the upper-level organs, then this conformity is only superficial and phony. In the current party rectification, the central authorities have set out basic principles, tasks, policies, and methods, and at the same time emphasized that the party organizations of various units should "implement them with creativity." What is meant by "creativity"? It means that we should "overcome subjectivism, earnestly conduct investigations and study, proceed from reality, and do everything with the spirit of seeking truth from facts." Only by acting in this way can we ensure that the party rectification will not proceed in a perfunctory manner and conform to the spirit of keeping politically in line with the CPC Central Committee.

In the current party rectification, in what respects should we make special efforts so as to do things in the spirit of seeking truth from facts and to unite our ideology and actions on the basis of the party's line, principles, and policies?

First, it is necessary to further realize that the primary practical task confronting our party and our people at the present stage is to carry out the four modernizations drive. Comrade Deng Xiaoping pointed out: "In short, the political line of our party at the present stage is to wholeheartedly carry out the four modernizations drive." That is, the building of the four modernizations is the overall situation, and is the most important policy at the present stage.

We know that the economy is the basis and plays a decisive role, and it will not do to talk of the superstructure separately from the economic basis. After the founding of the country, for a considerable length of time we committed "leftist" mistakes and conducted many political movements with poor results. The root cause of these actions was the deviation from this basic principle of historical materialism in our guiding ideology. Since the 3d Plenary Session of the 11th CPC Central Committee our party has carried out bringing order out of chaos, and one of our most important achievements is that the whole party has the identical understanding that after the fundamental completion of the socialist transformation, the focus in the work of the party and the government must shift to the building of socialist modernization with economic construction as the core, and all kinds of party work must be subordinate to and serve this core, economic construction. The ultimate objective of our current party rectification is to act in accordance with the principles adopted by the 12th CPC National Congress, and lay a solid foundation and establish the basic guarantee for realizing the objective of quadrupling the gross annual output value of industrial and agricultural production for building the two civilizations -- material civilization and spiritual civilization -- and for fulfilling the three great tasks of building the four modernizations, unifying the motherland, and opposing hegemonism. Therefore, in order to uphold seeking truth from facts, it is necessary to ensure the carrying out of the building of the four modernizations under any circumstances (except in the case of a large-scale invasion by foreign enemies; but even then, economic construction is to continue within the scale needed and permitted by the war), and it is not permitted to interfere in the economic work in any form and under any pretext. The purpose of the current party rectification is to ensure the building of the four modernizations and not to hamper the building of the four modernizations. Otherwise, it will be the most serious deviation from practice and go radically against the political line of the party at the present stage.

Second, it is necessary to pay attention to the opinions of the masses and uphold the mass line. Upholding seeking truth from facts is inseparable from practicing the mass line. The people are the principal core of social practice and are the masters creating the history of the world. This is another basic principle of Marxist historical materialism. Historical experiences have repeatedly proven that whenever the things we have done are advocated by the people, these things must be in conformity with practice, and whenever the things we have done are not welcomed by the masses or are met with antipathy from the masses, these things must be in opposition to practice. The correctness and the ever-increasing success of the principles and policies, the policy toward the rural areas in particular, practiced by our party since the 3d Plenary Session of the 11th CPC Central Committee are due to the fact that they conform to the expectations and wishes of the people. Regarding the fact that some of our comrades sometimes fail to have a sufficient understanding of the party's line, principles, and policies, and are sometimes not very resolute in their implementation, an important cause seems to be the development of a bureaucratic work style, which leads to a divorce from the masses and a lack of concern for the masses. At the beginning of 1979, Comrade Hu Yaobang already pointed out at a theoretical work conference that dealt with the ideological guidelines: The ideology of some comrades is in a state of ossification or semiossification, which has become the obstacle to the emancipation of the mind. He said: "I think that one of the important ideological roots is the habit of looking down on practice and the masses. Some of our comrades do not wish to follow the teaching of Comrade Mao Zedong and cast their eyes downwards, and listen to the voice of the masses and attach importance to practice, but direct their eyes to the sky and proceed from books, documents, and the instructions of their superiors, or even believe only in those within their own faction and fail to communicate with the people." This passage was delivered by Comrade Hu Yaobang 5 years ago, but it still encourages us a great deal whenever we read it. As long as we can go deep into the masses, look at the great changes of their production and life taking place since the 3d Plenary Session of the 11th CPC Central Committee, listen to their heartfelt praise of the party's line, principles, and policies, and inquire about their hopes and demands concerning the current party rectification, we are certain to be able to be in step with the forward strides of the broad masses and be truly in keeping with the CPC Central Committee.

Third, it is necessary to respect dialectics and guard against metaphysics. Everything in the world is developing in a dialectical way. If we look at things in an isolated, one-sided, and static way, it will be impossible for us to seek truth from facts. In the past few years, with respect to the line and principles of the central authorities, some comrades have exhibited regression and vacillation. Why? Some comrades gave their support after study, but they often failed to do so when confronted with concrete problems. They advocated the line and principles when the situation developed well, but failed to do so when there were setbacks. Sometimes they vacillated between "left" and right, at times criticizing the right with the "left," and at other times criticizing the "left" with the right. After all, the above phenomena demonstrated that these comrades had the ideology and methodology that featured a greater degree of metaphysics but a smaller degree of dialectics. Since the 3d Plenary Session of the 11th CPC Central Committee, when implementing a series of principles and policies, the CPC Central Committee has always paid attention to the struggles on two different fronts, opposing the "leftist" mistakes while removing the rightist interference, which has set a typical example for us in handling matters in accordance with the scientific and general methodology of Marxism. With the development of objective reality, the CPC Central Committee has continuously studied new problems, summed up new experiences, and formulated new rules and regulations. However, some of our comrades lack dialectical thinking and are accustomed to looking at things in a metaphysical way. As a result they often talk about the central policies in an irresponsible manner, saying that a certain document treats things this way, and the ensuing document treats things that way, with the result that it seems that the CPC Central Committee is vacillating in handling matters. In fact, with regard to the party's line and principles, some additions or readjustments made according to the changing situation without sticking to set rules demonstrate precisely the wisdom of the present CPC Central Committee. Otherwise it will mean being complacent and conservative, and if that is the case, how can we continue to develop the excellent situation and create a new situation in the socialist construction?

In addition, it is necessary to have a staunch party spirit and the selfless and indomitable courage of upholding truth and rectifying mistakes. The party's line and principles implemented since the 3d Plenary Session of the 11th CPC Central Committee are correct and have produced outstanding results in many aspects in our practical life --a fact acknowledged by people all over the world. At present, some comrades are not enthusiastic enough in implementing these line and principles, although they realize these facts. Where lies the cause? The reason for this situation is primarily that the personal interests of these comrades are at a disadvantage to a certain degree when the party's principles and policies are being implemented. For example, the implementation of the contract responsibility system in rural areas may cause some temporary difficulties for some relatives of our PLA fighters. In the course of building the cadre ranks of our party according to the requirements of the building of the four modernizations, some elderly comrades may have to retreat to the second or the third front, and some of them may not be very happy about this. The correction of mishandled or concocted cases may embarrass some people, and so on. Thus, when personal interests are placed above the interests of the party and the people, the implementation of the party's correct line and principles by these people must be less effective, and it will be hard for them to seek truth from facts when handling matters. Only when individualism is eliminated and the spirit of a high degree of the sense of responsibility for the radical interests of the party and the people is established will it be possible to effect seeking truth from facts and to be dedicated heart and soul to the party, and to implement the line of the party with a strong will. In this respect we should learn from the example of Comrade Deng Xiaoping. A host of facts have proven that once the selfish ideas and personal considerations are overcome and the ideology of building the party to serve the interests of the people is established, the condition of "a leaf before the eye shutting out Mount Taishan" will not occur when realizing and implementing the party's line, principles, and policies, and it will be easier to carry out seeking truth from facts.

The party rectification work of the whole party is developing gradually and steadily in breadth and depth. At this juncture, reviewing the relationship between the ideological line and the political line of the party and upholding the ideological line of seeking truth from facts in a conscious way will certainly promote a high degree of ideological and political uniformity within the party, ensure the success envisaged in the overall party rectification, and lead to a new situation, which is both lively and flourishing, in our various fields of work.

WANG LIN ON BUILDING SHANGHAI ECONOMIC ZONE

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[Report: "Wang Lin Speaks at Third Theoretical Symposium of Shanghai Economic Zone, Calling for Meeting Challenge of New Technical Revolution"]

[Text] In his lengthy report made at the third theoretical symposium of the Shanghai Economic Zone, Wang Lin, chief of the State Council's Planning Office of the Shanghai Economic Zone, recalled the past year's work and earnestly discussed the problems of how to take the next step in the direction of forming economic combines and how to meet the challenge of the new industrial revolution.

Wang Lin described the whole year's work as the "preconstruction stage" of a large-scale capital construction project. He said that the follow-up work consisted of the following five phases:

First, in planning and forming economic combines it has been found that concerning planning and management, computation of production values, supply channels of materials, bank loans and credit, purchase of products, foreign trade control, turning over of revenue to the state, organization of leadership, appointment and dismissal of cadres, and so on, every one of them contradicts the provisions of the existing management system. To facilitate the formation of combines in the economic zone, the financial and economic leadership unit of the central government has designated this office to be responsible for drafting the "provisions on economic combines" (a temporary name). In this way we can enforce a policy whereby, by legal means and from various sides, the formation of various forms of economic combines is facilitated, promoted, and supported.

Second, we must actively form, improve, consolidate, and develop the system of joint conferences of enterprises of the industries or trades that operate on a trans-provincial or transcity basis. About a score of industries and trades, including science and technology, communications, foreign trade, and so on, have yet to form such conferences. As for those joint conferences and joint committees already formed, they still face the task of being further consolidated and improved.

Third, we must speed up the compilation of the regulations for the Seventh 5-Year Plan period, striving to formulate a list of "important points" of the regulations for the Seventh 5-Year Plan period of the Shanghai Economic Zone. The list should be completed before the final determination of the national plan.

Fourth, we must continue to tightly grasp the planning and regulation of the work of the Shanghai Economic Zone, namely, concerning the five major tasks on energy, communications, foreign trade, technical transformation, and comprehensive treatment of the Changjiang Delta, the Huangpu Jiang and the Taihu basin:

1. Energy -- Coal: In 1983, the Shanghai Economic Zone consumed over 37 million tons of coal. Estimated coal consumption in 1984 is 40 million tons, and in 1985, 45 million tons. It is anticipated that by 1990 Shanghai's annual consumption of coal will exceed 50 million tons.

At present the position is that consumption of so-called "cooperation coal" has been increasing in quantity, that its price has steadily increased, and that it has offered an increasing number of perplexing problems. It is known that the cities have at least several hundred agents each selling "cooperation coal" and that some cities have over 1,000 people each engaging in the trade. The price of coal delivered to the factory site is upward of 100 yuan, and the maximum has reached 150 yuan. The financial and economic leadership units of the central government and the Ministry of Coal Industry have paid special attention to this matter and have agreed to give priority to solving the problem of coal supply (including coal transport) in our city. They have also decided to designate the tapping of the hidden potentials of coal mines in southern Shandong, Xuzhou, Huaibei, and Huainan as major projects of the state.

Agreement has been reached with the Ministry of Coal Industry to make one of the following choices: First, as the saying goes: "A rabbit must eat the grass alongside its nest," so the state should shift a part of its investments in the building of coal mines in Shanxi and other localities to areas such as Huaibei and Huainan, southern Shandong northern Jiangsu, and eastern Henan, and designate the latter places as the major localities for developing the coal industry of the country. The Shanghai Economic Zone will undertake to raise funds to make up for any extra investments required and the increased coal output will be distributed to the localities taking part in raising the funds. On average, the distance between Shanghai and Shanxi is more than 2,000 km, while that between east China and the above localities is less than 1,000 km. A year's savings in transport expenses will be more than enough to cover the extra investments required. Second, the Ministry of Coal Industry will select from the country 10 coal mining areas which are already in production but which still have potential for expansion, restructuring, and tapping of hidden resources, and which are to initially produce 8 million tons of coal at a cost of about 120 yuan per ton. The required funds will be raised by us, with the understanding that delivery of coal will be made 2 to 3 years after payment of the funds. The ministry will guarantee the delivery of this quantity of coal to the economic zone.

Electric power: According to a one-by-one survey of the various industries and trades covered by the east China power network made by the east China electric power administration, electric power consumption during the period of the Seventh 5-Year Plan period will increase from 70 billion kilowatt-hours to 100 billion kilowatt-hours, averaging an annual increase of 7.4 percent. This will require the installation of new generating units with an aggregate capacity of 6 million kilowatts. A year ago, in our communications with the financial and economic leadership unit of central government, it was agreed that the Gezhouba-Shanghai 500,000-volt direct power transmission line would be built and installed, and that the Ministry of Water Resources and Electric Power and the Metallurgical Industry would arrange for the third generating unit (350,000 kilowatts) of the Baoshan iron and steel plant to go into operation. Despite these arrangements and the utmost efforts to effect savings in power consumption, the going will still be rather tough. Accordingly, we have made the suggestion that the localities should raise the money (or loans) for power generating units. Concerning this, the financial and economic leadership unit of the central government commented thus: "In view of the stringency in energy supply and under the conditions of state investments not being enough, the measure of raising funds to install more power generating units by means of increasing power charges (averaging an increase of 2 cents per kilowatt-hour) for power consumption by industry (including industries run by communes and brigades) is deemed workable. However, due attention should be paid to improving management and control and to lowering production costs so as to remove any possible harmful effects arising from the increase in power charges. East China has the necessary conditions to accomplish this and should be able to do so." In view of the fact that the products of the various categories of industrial enterprises differ vastly from each other in value and in profit margin, the increase in power charges is divided into six separate grades, namely, 0.5 cents, 1 cent, 1.5 cents, 2 cents, 2.5 cents, and 3 cents per kilowatt-hour, and in application the measure of differential treatment will be employed.

In this way it is estimated that during the Seventh 5-year plan period the additional levies will amount to 3 billion yuan, sufficient for the additional installation of generating units with an aggregate installed capacity of 2 million kilowatts and for the installation of the requisite power transmission lines.

2. Communications: It is necessary for the Shanghai Economic Zone to pay special attention to fully displaying its superiority in water transport. Unfortunately, the existing irrational state of circuitous and roundabout transport of raw materials and products between the city and inland is in reality an enormous waste of transport power. We are now prepared to cooperate with the "joint transport commission of the national federation of communications and transport" to undertake further investigation and surveying work and to offer views concerning measures to organize joint transport with the economic zone and to improve the current state of coal transport.

3. Foreign trade: Important tasks that the economic zone has all along intended to perform now include a unified stand in foreign relations, displaying Shanghai's central role in foreign trade, a tight grasp of the measure of "being united internally and edging forward externally" within the limits of the Shanghai Economic Zone, and bringing the superior points in foreign trade into full play. Recently we have received a notice from the Ministry of Foreign Economic Relations and Trade announcing the convening of a joint conference on foreign trade in the Shanghai Economic Zone this April. At the conference, the following views were submitted: 1) Export products of the 10 cities under the Shanghai Economic Zone should be given the autonomous power, under the unified management of the national specialized trades general corporation, to freely select ports (branch companies) for export, subject to the provisions that the product concerned can earn much foreign exchange, has a wide market, enjoys low costs in foreign exchange earnings, and commands good economic results. The port companies should collect only a handling fee and the foreign trade procedure and sharing in the foreign exchange earnings should remain unchanged. 2) Based on the principles of volition and mutual benefit, and within the sphere of the economic zone, permission is to be given for breaking the demarcation of administrative divisions and to the active and extensive development and formation of industrial (agricultural) and trading combines, technological and trading combines, and import and export combines. Upon consummation of the cooperation agreements, the parties concerned are to report to their relevant higher levels for reference. 3) Active development of the trade of processing imported materials for reexport. Export commodities made by processing imported materials and which are not for sale within the country should be exempted from customs duties, just as imported materials are so exempted. The handling procedure should be simplified and it is recommended that the practice of submitting each and every transaction for consignment to the customs for tax exemption be revised to submitting a whole year's transactions or consignments at the end of each year. The share of foreign exchange earnings from exports of commodities made by processing imported materials should be revised upward. 4) Formation of a joint committee on foreign trade on the Shanghai Economic Zone.

4. "Three harnessing projects": To solve the problems of handling water conservancy work in the Changjiang Delta and the Huangpu Jiang, formation of two concrete organs has been completed. One is the Changjiang Delta Development Bureau and the other is the Shanghai Water Conservancy Regulating and Planning Institute. Their work is gradually being developed.

Comprehensive water conservancy work in the Tiahua basin offers various benefits such as flood and drought prevention, development of navigation and environmental protection, and promotion of aquatic products. Unfortunately, over the past 20 years we have failed to procure an overall program of water conservancy jointly observed by all parties concerned. As a result, certain half measures were adopted.

During the period of the 10 years of turmoil, loss of control was apparent and sundry projects claiming land from the lake were in profuse operation. Fortunately, last year, an all-round survey of the whole basin area was made and, as a result, basically a unified understanding was reached according to which the (draft) regulations of the Chang Jiang Valley Regulation and Planning Office were taken as the basis. Certain necessary revisions were made and a revised program was submitted to a discussion meeting. Following approval of the program at the meeting it was subsequently submitted to the State Planning Commission and the Ministry of Water Resources and Electric Power for perusal and approval. The entire program covers 10 big projects. Efforts will be made to have it included in the national plan next year.

Fifth, proceeding with preparatory work on the second stage of the reform of substitution of taxes for delivery of profits. According to initial arrangements made at the national conference on economic work, the second stage of the reform of substitution of taxes for delivery of profits will begin in the third quarter of this year. This is an important reform. Its enforcement will naturally facilitate independent operation and the assumption of sole responsibility for profits and losses on the part of the enterprises. Financially it will further improve the relations between the state and the enterprises as well as the relations between the state and the localities. It will also improve the division of work between government and enterprises.

Touching on the topic that the world is now facing a new industrial revolution, Wang Lin said that upon the establishment of the office of regulation and planning of the Shanghai Economic Zone, technological restructuring plans were at once listed at one of the major projects, but there was no guidance on how to grasp it or how to proceed. Only last October did we gradually get an understanding of the matter, when Comrade Ziyang advocated that we "should note and study the world's new industrial revolution and shape our countermeasures accordingly." Premier Zhao clearly pointed out: "Our former slogan calling on Shanghai to 'unite internally and edge forward externally' is a correct one and must continue to be insisted upon. Coastal areas should follow the new trend in international economic and technical development to readjust their industrial organization structures, absorbing the strong points but rejecting the deficits." Viewed from the standpoint of the Shanghai Economic Zone, we have a definite foundation and enjoy superiority in various respects, ranging from the electronics industry, which centers on large-scale integrated circuits and electronic computers, to biological engineering, laser technology, new materials, optical fiber communications, and so on. A tight grasp of this superior condition, and particularly grasping microelectronic technology, which occupies a leading position among the new industries, not only will introduce changes in the industrial formation of the economic zone, but also will bring about a new development in all social production activities. It represents a point of breakthrough in meeting the challenge of the new industrial revolution. The financial and economic leadership unit of central government has clearly pointed out: "It is necessary to resolutely and speedily improve the level of the scientific research work, of the industrial technology, and of the production, varieties, and quality of products of the integrated circuits and microcomputers sector in this zone." It further called on the Regulation and Planning Office of the Shanghai Economic Zone, the Ministry of Electronics Industry, and the office in charge of large-scale integrated circuits to band together for the purpose of accomplishing this objective.

Thanks to efforts made by the relevant departments and the various provinces and municipalities, a "pivotal development plan for integrated circuits and microelectronic computers in the Changjiang Delta" has been initially formulated. Clarifying the problems met with in the formulation of the plan, Wang Lin gave the following explanatory notes: 1) This is only an "initial proposition"; it is still necessary to have it carefully examined at technological and economic theoretical discussion meetings. An overall balance must be worked out and the plan must be further subjected to appraisal and revision.

Hence, we should not blindly proceed without being sure of our own position. 2) This is a "focal" development plan. There are still many intermediate and outside details that require more intensive studies and further determination. 3) The central authorities originally called on us to formulate a plan covering the various aspects of "production, expansion, and application." This proposition is principally concerned with production but still lacks the parts on expansion and application. Actual practice has shown that expansion and application of the use of computers will play an extremely big role in restructuring old enterprises, particularly the medium and small enterprises, and in equipping the various departments of the national economy. Hence, expansion and application must be given an important place. Moreover, much can be accomplished if only we can truly display the actual benefits and insist on adopting the guideline of "promoting production through application." We must not wait until the formation of a composite body of scientific research and production. 4) In meeting the challenge, the stress on grasping the development and introduction of large-scale integrated circuits is entirely correct but, proceeding from the actual conditions of our economic zone, it is still necessary, within the scope of our capability, to pay due regard to other new industrial sectors such as biological engineering, laser technology, optical fiber communications, new materials, and oceanological engineering.

In this connection, the office of economic zone regulation and planning is prepared to work in cooperation with the relevant departments in the various cities to organize and combine their forces to conduct certain investigation and research work which will be reported on time to the relevant central departments. 5) The development, expansion, and application of new technology must rely on the training of personnel. For this reason intellectual development and training of personnel should be included in the plan and be accorded a high rating.

In Wang Lin's opinion, in undertaking reforms the minimum requirement is awareness on our part of the defects in our existing system. Concerning complex matters of this kind, all we can do is, so to speak, "grope our way across the river by feeling the submerged rocks." Concerning last year's work, he indicated that the following problems need to be further probed into and that we still lack a unified knowledge of them.

First, concerning the formula that an "established system should not be changed," we believe that what is meant is that in administration the subordinate relations should not be changed but the existing irrational system of management must be changed. It would thus be incorrect to employ this formula of "no change in the established system" to refute reform in the economic management system.

Second, it will obviously be erroneous to adopt the passive attitude of waiting until the last moment after reforms of a fundamental nature have already appeared in the country as a whole. In fact, before undertaking any major reform, much preparatory work must first be performed, such as that concerning the concrete steps to be taken, how to handle problems that may arise, and so on. All this must be looked into in time and the views and recommendations thereon must be submitted to the leadership.

Third, reform is a kind of revolution. The system is the object of reform. In reform, making any progress is by no means easy. On the one hand we must guard against being overanxious for quick results, and craving speed may in the end keep us from reaching the objective. It is hardly realistic to expect a large-scale advance in the first year of reform. On the other hand, we must promote the spirit of advancing despite knowledge of difficulties ahead, being brave in probing and daring to reform, and being adept in reforms. We advocate that we concentrate mind and soul on rigidly doing a job just as if handling "building blocks."

Fourth, in drawing up plans it is necessary to adhere to a "detached superiority."

We are by no means the mother-in-law of a family and do not control the purse strings, but it is only in this way that we can perform a role that the departments and the localities cannot perform. We should carry out more penetrating investigation and research as well as cooperative work, and only in this way is it possible for us to become "business-minded" in attending to affairs, as hoped for by everybody. We do not fight for gains against other people. We do not keep ourselves busy "running around for investments, begging for equipment and appliances, fighting for targets, and chasing after a high degree of advancement." What we want to do is unify planning and regulation for the economic zone as a whole, "be united internally and edge forward externally," accomplish an overall balance, and coordinate and adjust relations between various quarters.

Fifth, we should insist on working in strict accordance with established policies and refrain from contracting for all or acting on others' behalf. Simultaneously with caring for the situation as a whole and fully displaying the communist work style, we must firmly insist on the principle of volition and mutual benefit. We advocate that "though being close as brothers, our accounts must be kept open and any bad words must be spoken in advance." The planning office will not act as "go-betweens in marriages," otherwise this economic union will be frail and weak and even short-lived. Let us quote again the old saying: "Rely on your parents when at home but depend on friends when away from home." Only in truly mobilizing the whole populace, letting all public affairs be handled by the people, and acting with one heart and soul can we accomplish anything. Even though, in such circumstances, we still fail to accomplish anything, we can hardly grumble at each other.

COMMENTATOR ON SUPPORTING SMALL BUSINESSES

HK271312 Beijing RENMIN RIBAO in Chinese 25 Apr 84 p 2

[Commentator's article: "State Commerce Should Give up Some of Its Territory"]

[Text] The two reports carried by this newspaper today about Hebei Province reforming small retail businesses and the 27 small stores in Chongwen District, Beijing, carrying out a contract system are worth reading, because they provide a useful reference aid to the present reform of the state-owned commercial system.

Along with the development of industrial and agricultural production, a richer variety and an increasing quantity of industrial goods and farm produce have poured into the markets. The development of commodity production and the development of commodity circulation through various channels will inevitably make an impact on the existing system of commercial operation and management. In the past, because there were not many commodities on the markets, state-run commercial organizations could monopolize almost all businesses. Now this practice can no longer meet the needs of the rapidly developing situation. It is imperative that the system of commercial operation and management be thoroughly reformed.

Last year some localities began to try adopting the contract responsibility system in some retail and catering shops. Among these shops, those that have continued to pursue this system have all overcome the drawbacks of "eating from the same big pot," and have changed the previous egalitarian practice in the distribution of earnings. They also have improved their service attitude and quality. The contract system should be adopted in all commercial enterprises. This should be a point beyond question. However, an unsettled question is on what basis wages and bonuses in these enterprises should be paid. If this question is not properly settled, the burdens are likely to be shifted onto customers.

As far as small shops, restaurants, hotels, and other small services are concerned, they should be allowed to take more flexible measures and to contract more business to collectives and individuals.

Individual workers or groups of workers should be allowed to directly handle the business of the whole enterprise on lease. During the lease they must bear responsibility for both profits and losses. These small shops are large in number, widely distributed, and have a small number of workers in each of them. However, they provide services for the general public and have a large number of customers. After these shops are rented to individual workers, their business results will directly affect the personal interests of the workers. This can fully arouse the initiative of the workers and can bring into full play the strong points of these small shops, such as handling a wide variety of goods, having long business hours, and providing services and delivering goods to the customers' doorstep. By doing so, workers can earn more and customers can be inconvenienced.

State-owned commerce should not continue to take on all commercial business; instead, it should give up some of its territory. On the surface it seems that its position is narrowed; in fact, what has been cut down is the "bureaucratic practice" in commerce. This will only cause state-owned commerce to improve its operations and the quality of service and to better play its leading role so as to enable commerce as a whole to develop rapidly.

SUPPLY, MARKETING COOPERATIVES DISCUSS REFORM

OW280143 Beijing XINHUA Domestic Service in Chinese 1419 GMT 24 Apr 84

[By RENMIN RIBAO Reporter Sun Wei and XINHUA reporter Qiu Yuan]

[Text] Beijing, 24 Apr (XINHUA) -- "What are we going to do now that we have been 'unbound'?" Feeling "unbound" by the central authorities, the excited representatives attending the national conference of directors of provincial, municipal, and autonomous regional supply and marketing cooperatives are asking themselves this question. They hold that, in addition to other people's assistance, they should also "unbind" themselves. They now maintain that they must first of all free themselves from the bondage of "leftist" practices and adapt to the needs of the new situation. They said that supply and marketing cooperatives have been "government operated" for too long, and now the cooperatives must request the peasants to be their shareholders and owners.

The representatives from Jilin Province reported that until last year, the cooperatives in Shuangyang County had been operating in the red for many years and had incurred a loss of 194,000 yuan because their "government operated" cooperatives paid no attention to the peasants' needs and purchased only those products ordered by the state. How could they avoid losing money when their operation became smaller and smaller in scope and increasingly rigid, they asked. Last year, thanks to mental emancipation, they said their cooperatives provided all kinds of services the peasants needed and made a profit of 590,000 yuan.

Furthermore, they said, the higher-level cooperatives should service their grassroots counterparts and give them more leeway to maneuver. Over the past several years, they said, the higher-level cooperatives have paid little attention to serving their grassroots counterparts and have even been competing with them for business and profits. Statistics show that of the total amount of profits made by supply and marketing cooperatives across the country, the proportion of profits shared by grassroots cooperatives dropped to only 32 percent last year from 58 percent in the 1960's. Because of decreasing profits, the representatives said, grassroots supply and marketing cooperatives have become less and less viable and the cooperative workers' enthusiasm is low. In a bold reform last year, the Sichuan Supply and Marketing Cooperative, in addition to raising grassroots cooperatives' profits to 55 percent of the total amount of profits, also stipulated that a county cooperative must not take over the business that can be handled by a grassroots cooperative, and that the provincial cooperative must not take over the business a county or a grassroots cooperative can handle.

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These measures should be encouraged, the representatives said.

They also pointed out that the fine experiences gained by Wuzhi County in Henan and Jintang County in Sichuan in promoting the responsibility system should be popularized. After contracting the operation of a store to its workers, the profits of the store under the Beiguo cooperative in Huaikou District in Jintang County doubled last year.

The representatives maintained that, in addition to outside assistance, all supply and marketing cooperatives must take the initiative to "unbind" themselves" in order to become more viable cooperative undertakings of the peasants and make new contributions to the development of commodity production and commodity exchange.

STAFF WORKERS TAKE EXAM TO BECOME MANAGERS

OW290540 Beijing XINHUA in English 1232 GMT 28 Apr 84

[Text] Beijing, April 28 (XINHUA) -- Staff workers in some of China's industrial enterprises are now eligible for promotion to managerial and leadership posts through examination under a decision just announced here. The decision, by the Guidance Committee for the Examination of Managerial Personnel, allows professionals in management and technology under the age of 40 and with at least a senior middle school education and five-years' work experience to take the regular examinations required of all serving enterprise managers and directors.

The test results will be a major qualification for new appointments. Outstanding candidates will be given priority in the selection of new managers and directors, the decision says.

The new policy, which marks a break with the practice of appointing enterprise leaders on their seniority or service record, will be tried in the cities or service record, will be tried in the cities of Fuzhou, Nanchang, and Chongqing before its application nationwide.

The decision is designed to select and bring up more competent managers and directors for China's factories.

The State Council ruled last October that examinations would be given to all enterprise managers and directors within two years. The test, aimed at increasing their professional competence, includes questions on the principles and policies of socialist economic theory and enterprise management.

NEW TAX RULES FOR JOINT VENTURES ISSUED

OW291725 Beijing XINHUA in English 1647 GMT 29 Apr 84

[Text] Beijing, April 29 (XINHUA) -- New tax rules on imports and exports by Chinese-foreign joint ventures will come into effect on May 1, announced the General Customs Administration.

According to the new rules, joint ventures will be exempt from import duties and consolidated industrial and commercial taxes on machinery, equipment, component parts and materials needed in building workshops, and the installations of machinery imported by the foreign partner, or by the joint venture as part of the total investment. Those machinery, equipment, component parts and materials which are imported by joint ventures for the purpose of increasing capital, and which cannot be procured in China, will also be exempted from taxes and duties. Tax exemption certificates will be issued by customs.

Raw materials, components, spare parts, auxiliary materials, and packaging materials imported by joint ventures for processing export products may also be imported duty- and tax-free.

All export goods produced by Chinese-foreign joint ventures will be free of export duties, except for those whose export is restricted by the government. Goods imported by joint ventures duty-free may not be sold or assigned to others in China.

The new rules also apply to joint ventures formed with partners from Taiwan, Hong Kong, and Macao, and Overseas Chinese, except when otherwise provided.

SECOND INDUSTRIAL SURVEY TO BEGIN IN 1986

OW291821 Beijing XINHUA in English 1535 GMT 29 Apr 84

[Text] Beijing, April 29 (XINHUA) -- China will begin its second national industrial survey in the first quarter of 1986, according to a national industrial survey work conference opened here today. The survey will eventually cover the nearly 400,000 enterprises in the country.

Pilot surveys will begin in a number of enterprises and Changzhou City in Jiangsu Province this year, and in 1985 in some key enterprises to collect statistics needed before the nationwide investigation is carried out.

The first national industrial survey was held in 1950 and 1951.

The new project will cover the planning, statistics, production, technology, labor, materials, and financing of the nearly 400,000 enterprises. It will stress assessments of equipment, technology, economic performance, the organization of enterprises, and workers' cultural and vocational standards. Information on each factory will be stored in a national data library.

According to Zhang Jingfu, head of the leading group for the national industrial survey, the project is aimed at providing reliable data for policy-making, development planning, and economic reform.

Yuan Baohua, deputy head of the leading group for the survey and vice-minister of the State Economic Commission, urged all enterprises to set up survey groups and train their personnel by the end of 1984.

OUTSTANDING GRADUATES ADDRESS BEIJING STUDENTS

OW290610 Beijing XINHUA in English 1038 GMT 28 Apr 84

[Text] Beijing, April 28 (XINHUA) -- Two college graduates who have made outstanding contributions to national construction spoke here today to 1,000 students about to graduate, encouraging them to go and work where they were needed most.

Zhou Lirong, director of Dancheng County Hospital in Henan Province, and Guo Shaorong, a deputy factor director in Jinzhou City in Liaoning Province, are making a lecture tour sponsored by the Communist Youth League Central Committee and the Ministry of Education.

They and another seven graduates of the past three decades will go on to speak at colleges in Beijing and other cities.

Zhou, who gave up the comforts of city life upon graduation from the Shanghai No 1 Medical College in 1958, has performed more than 10,000 operations in the small hospital of a county town. Peasants respect him as the "good doctor of the people."

What attracted the young audience most were his many successes in rejoining severed limbs and fingers in a rural hospital. He has read his papers on microsurgery in France and the United States.

Now 48 and a member of the National People's Congress Standing Committee, he told the young students: "Even people in the countryside can scale the world's heights of science and technology." The audience responded with hearty laughter and warm applause.

Since graduating two years ago, Guo Shaorong, 29, has led the 60 workers of his factory in developing and producing new adhesives. The factory, which owed 100,000 yuan (about 50,000 U.S. dollars) in 1982, had an output value of over 400,000 yuan (about 200,000 U.S. dollars) last year.

The tour also includes a desert researcher from Xinjiang, a geologist prospecting for petroleum and natural gas in northwest China, a postgraduate who volunteered to work in Tibet, and a gold mining technician.

Hu Jintao, member of the Youth League Central Committee Secretariat, said at today's meeting that China had entered a new period of fundamental change, great promise, and urgent need for science and able people.

He urged the young students to emulate the speakers by working in difficult places and devoting their knowledge to the country.

This summer 270,000 undergraduates and 11,000 postgraduates will finish their studies in China.

Minister of Education He Dongchang said that, with the national economy growing rapidly, there was a pressing need for college graduates in rural and border areas and major projects. The lecture tour would help the students better understand the situation, he added.

He asked colleges to provide students with greater access to real life outside the campus.

LIVESTOCK FEED PRODUCTION EXPANDS IN 1983

OW280753 Beijing XINHUA in English 1456 GMT 27 Apr 84

[Text] Beijing, April 27 (XINHUA) -- China produced seven million tons of compound and mixed feed last year, one million tons more than in 1982, the State Economic Commission announced today.

New feed processing factories were set up in most provinces and autonomous regions last year, a spokesman said. Sichuan Province, China's leading grain producer, completed 48 factories, more than any other part in China. Their annual output ranges from 2,000 to 5,000 tons.

One thousand small fish-meal processing factories and workshops with a total annual output of 65,000 tons had been completed nationwide by the end of 1983, helping ease the protein feed shortage.

"China's feed processing industry has grown rapidly in the past few years following the greater use of feed in state livestock and poultry farms, aquatic product breeding farms and peasant family farms," the spokesman said.

Five million peasant families, about three percent of the nation's total, now specialize in livestock and poultry raising. In addition, most Chinese peasant families raise livestock or poultry as their domestic sidelines.

Thirty plants were now producing complete sets of feed processing equipment, the spokesman said, adding that China could manufacture 29 types of small and medium-sized processing equipment and had developed equipment capable of producing five tons of compound feed per hour.

More feed processing factories will be built this year, the spokesman said. Two factories using equipment imported from the United States will go into operation in Sichuan and Jilin Provinces in 1984. Each factory is designed to produce 3,000 tons of feed additives annually.

The feed processing industry has great potential for expansion, he said, because per capita consumption of meat, eggs, milk, and fish was still low in China, and animal husbandry and fisheries accounted for only 18 percent of the country's agricultural output value.

NATIONAL TOURISM EXHIBITION OPENS IN BEIJING

OW291024 Beijing XINHUA in English 0759 GMT 29 Apr 84

[Text] Beijing, April 29 (XINHUA) -- A national exhibition of tourism goods and handicraft articles for domestic sales opened in the Beijing Exhibition Center today.

On display are more than 60,000 handicraft articles, daily necessities, and foodstuffs from across the country.

Jointly sponsored by the State Economic Commission and the Light Industry and Textile Ministries, the exhibition is aimed at promoting the production and supply of arts and crafts for the domestic market.

The number of tourists visiting China increased from 1.84 million in 1978 to 9.47 million in 1983. Some 1.44 billion yuan of handicrafts and tourist goods were sold in that period.

The exhibition will close on June 4.

CORRECTION TO WANG REPORT ON PARTY RECTIFICATION

The following correction pertains to the item headlined "Wang Heshou Reports on Party Rectification," published in the 25 April China DAILY REPORT, pages K 1-7. Page K 4, from last paragraph, last line, make read:

...the central authorities.

The requirements for sorting out the "three types of persons" and eliminating spiritual pollution on the ideological front put forth by the 2d Plenary Session of the 12th CPC Central Committee are important aspects of party rectification as well as important issues in reinforcing the party's administrative discipline at present. We must, on the one hand, resolutely and earnestly ferret out the "three types of persons" and, on the other, prevent broadening of the scope of the work. It is necessary to investigate and punish in good time those who deliberately distort facts, frame good people, and harbor the "three types of persons." It is also necessary to take disciplinary action against those who adopt a "leftist" or rightist stand in opposing the party's line, principles, and policies and refuse to mend their mistakes after education and criticism. (supplying omitted passage)

FUJIAN PARTY OFFICIAL ON PARTY RECTIFICATION

OW281051 Fuzhou FUJIAN RIBAO in Chinese 20 Apr 84 p 1

[Excerpts] At a recent meeting of responsible persons of the first group of units directly under the jurisdiction of the province that had begun party rectification, Zhang Yumin, member of the Standing Committee of the Fujian Provincial CPC Committee and secretary general of the provincial CPC Committee, briefed them on the current party rectification situation in the Standing Committee. He said: After more than 3 months of study and preparations, the Standing Committee's party rectification entered the second stage in mid-April, the stage of comparison and examination.

He said: The Standing Committee held that most of the policy decisions made by the provincial party committee in the light of Fujian's reality complied with the guidelines of the party Central Committee and were correct. The problem is that the decisions have not been implemented well. Many cadres and people have sharply criticized our work performance: "The policy is good, but not implemented; the idea is good, but it is difficult to get the job done." How can that happen if the party Central Committee's policy is good and the provincial party committee's major policy decisions are correct? Here are the main reasons: First, the leadership of the provincial party committee has not sufficiently emancipated their minds; second, the over-centralization of power; third, the provincial party committee does not assume leadership in a down-to-earth way, resulting in too many general calls and few concrete organizations.

Zhang Yumin said: Through party rectification the provincial party committee is striving to stimulate Fujian's economic development. It is conscientiously trying to solve the problems concerning the policy of opening to the outside world and invigorating the economy and concerning special circumstances and flexibility in order to fulfill Comrade Hu Yaobang's call "I hope Fujian will advance in the forefront of the four modernizations." Comrade Zhang Yumin continued: The provincial party committee has carried out the following tasks in the spirit of simultaneously rectifying the party and bad work styles:

1. It has conscientiously implemented the party Central Committee's Document No 1 of 1983 and Comrade Deng Xiaoping's important instructions and has used the current party rectification to advance our current economic work. The Standing Committee has conscientiously studied the document since it was issued. At the recent provincial conference on rural work, the provincial People's Congress and the provincial CPPCC Committee meeting, responsible comrades of the provincial party committee repeatedly stressed that cadres at all levels, especially leading cadres, should implement the document in the spirit of rectifying the party, continue to eliminate the remaining influence of "leftist" ideology, make vigorous efforts to develop commodity production and to improve the circulation of commodities. They should unify their understanding of and solve problems regarding "opening to the outside world, invigorating the economy, special conditions, flexibility" and policy decisions on "implementing policies, improving technology, concentrating financial resources and decentralizing power."

In early February this year, Comrade Deng Xiaoping, accompanied by Comrade Wang Zhen, inspected the special economic zone in Xiamen and issued this important instruction: "Build the special economic zone in a quicker and better way." Not long afterwards the party Central Committee made an important decision to expand the special economic zone in Xiamen to the entire island. Recently, the party Central Committee's Secretariat and the State Council made a proposal to open Fuzhou and 13 other coastal cities to the outside world. After studying the proposal, the provincial party committee clearly understood that the policy of opening to the outside world should be expanded, not contracted.

The provincial party committee reported the proposal to participants in the recent conference of department and bureau chiefs, the conference on rural work, the provincial People's Congress and the provincial CPPCC Committee meeting, and called on all areas and departments to support in various ways the construction of the special economic zone in Xiamen and to use actual deeds to maintain unity with the party Central Committee. More than 70 units directly under the jurisdiction of the province have submitted reports to the provincial party committee and the provincial government proposing measures to implement the proposal of the secretariat and the State Council. The provincial party committee has sent work groups to Xiamen to direct work.

2. It has delegated power to lower levels to speed up economic reforms. In the course of study the Standing Committee has come to realize that Fujian's economic development depends on economic reform and that the key to successful reform is to delegate power to lower levels.

3. It has conscientiously handled a number of important cases, thus promoting the rectification of party organizations and bad work styles throughout the province. Some units reformed their work styles before party rectification began. The provincial party committee has assumed direct supervision over the handling of major criminal cases and other cases of violating the law and discipline. It is now handling a number of problems left by history and is working to promote unity among cadres by solving those problems.

Zhang Yumin said in conclusion: Party rectification has stimulated economic development. The current industrial and agricultural production situation throughout the province is a happy one. The province's total industrial output value in the first quarter of this year amounted to 2.5 billion yuan, registering a double-digit increase of 10.1 percent over the same period last year. Profits made by the state-run enterprises under the state budget and the amount of tax delivered to the state rose 10.81 and 14.9 percent respectively over the same period last year. There has been a concomitant increase in output value, sales and profit. The situation in the entire countryside has further improved as spring farming and production has been better than in previous years. The number of specialized and key households and self-employed individuals keeps increasing. A good situation has emerged in our economic relations with foreign countries and in building the special economic zone.

JIANGSU MEETING GREET'S SATELLITE TRACKING FLEET

OW250809 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 23 Apr 84

[Text] On the afternoon of 23 April, a certain PLA unit stationed in Jiangsu held a solemn meeting to celebrate the return of its oceangoing space surveying fleet after it successfully fulfilled its task of tracking the synchronous communications satellite at sea. Attending the meeting were Chen Bin, minister of the Commission of Science, Technology and Industry for National Defense; Sun Han, deputy secretary of the provincial CPC Committee; Navy Deputy Commander Yang Guoyu; as well as leading comrades of the CPC Committee of the city where the PLA unit is stationed.

SHANDONG PEOPLE'S CONGRESS SESSION ENDS

SK290152 Jinan Shandong Provincial Service in Mandarin 2300 GMT 28 Apr 84

[Text] Having successfully completed all preassigned tasks, the second session of the sixth provincial People's Congress concluded with the glorious "Internationale" on the morning of 28 April after 7 and 1/2 days in session.

The session called on workers, peasants, intellectuals, commanders, and fighters of the PLA units stationed in Shandong, laborers, and patriots to remember firmly the general tasks and goals set forth at the 12th party congress, to implement the line, principles, and policies of the party unswervingly, to be inspired with enthusiasm, to be of one heart and one mind, to be determined, to play a vanguard role, to accelerate the pace of making Shandong economy and undertakings flourish, and to welcome the 35th anniversary of the PRC's founding with the excellent achievements in comprehensively creating a new situation in our province's socialist modernization.

From the beginning to the end, the congress was filled with the warm atmosphere of persisting in reforms and making efforts to make progress. Entrusted by over 70 million people of the province, deputies exercised democratic rights, conscientiously examined and discussed reports and resolutions, talked freely, drew on collective wisdom and absorbed all useful ideas, discussed and worked out a plan for our province's four modernizations, and expressed a high sense of being responsible to the country. At the plenary session, sponsored on the morning of 28 April, deputies unanimously approved the resolution of the government work report, the resolution on 1984 economic and social development, the resolution on the 1983 final accounts and the 1984 budget, the resolution of the work report of the Standing Committee of the provincial People's Congress, and the resolutions of the work reports of the provincial Higher People's Court and the provincial People's Procuratorate. The session also added presidents to some local intermediate people's courts and procurators of some local subprocuratorates.

Qin Hezhen, executive member of the presidium of the congress, chaired the session. Attending the session were some executive members including Su Yiran, Lu Maozeng, Li Changan, Jiang Chunyun, Xu Leijian, Gao Fengwu, Chen Lei, Zhang Zhusheng, Xu Jianchun, Lin Ping, Yang Jieren, Liu Gan, and Zhang Fugui.

SHANDONG CPPCC COMMITTEE SESSION CONCLUDES

SK280735 Jinan Shandong Provincial Service in Mandarin 2300 GMT 27 Apr 84

[Excerpts] Having successfully completed all preassigned tasks, the second session of the fifth provincial CPPCC Committee concluded on the morning of 27 April in the auditorium of the Jinan Dongjiao Hotel after a 9-day session. The session called on all committee members and personages of all circles to hold high the banner of patriotism, strengthen unity and cooperation, and contribute to rejuvenating China and fulfilling the three major tasks for the 1980's and 1990's. The session was permeated with the warm atmosphere of unity and democracy from beginning to end.

At 0830, the closing ceremony opened with Li Zichao, chairman of the provincial CPPCC Committee, presiding. At the ceremony, participants heard the report on the examination of motions made by the Motions Examination Committee of the second session of the fifth provincial CPPCC Committee, and adopted a resolution on this report. Participants also adopted a resolution on the work report of the fifth provincial CPPCC Committee's Standing Committee and the political resolution of the second session of the fifth provincial CPPCC Committee. The ceremony closed amid the majestic sound of the national anthem. Attending the closing ceremony were Su Yiran, secretary of the provincial CPC Committee; Li Zhen, deputy secretary of the provincial CPC Committee and deputy governor; Gao Keting, chairman of the provincial Advisory Commission; and Qin Hezhen, chairman of the provincial People's Congress Standing Committee. Also attending were vice chairmen of the provincial CPPCC Committee, including Zhou Xingfu, Yu Xiu, Xu Meisheng, Guo Yicheng, Li Sijing, Zhang Weicen, Tian Haishan, Wang Liang, Xu Wenyuan, Kong Lingren, Cai Qiangkang, and Ding Fangming. Attending as observers were the chairman of the CPPCC Committee of the city under the jurisdiction of the provincial government; the directors of the united front work departments under various prefectural and city CPC committees; the directors of the united front work departments of CPC committees of various universities and colleges in Jinan; responsible persons of various sections of the provincial-level united front work departments; and the counsellor of the counsellor's office of the provincial People's Government.

HAINAN READJUSTS WORK GROUP ON INTELLECTUAL POLICY

HK250304 Haikou Hainan Island Service in Mandarin 0330 GMT 20 Apr 84

[Text] To implement the spirit of the circular issued by the Organization Department, the Propaganda Department, and the United Front Work Department of the CPC Central Committee on conducting a thorough checkup on the situation of the implementation of policy toward intellectuals, the Hainan District CPC Committee recently readjusted and strengthened the leading group for inspecting the work of implementation of policy toward intellectuals and yesterday dispatched work groups to all counties, cities, and district-level organs to carry out the work.

The readjusted and strengthened leading group for inspecting the work of implementation of policy toward intellectuals recently held a meeting of all members. According to the existing problems in the district on the implementation of policy toward intellectuals, the meeting held discussions and made arrangements on how to inspect the implementation of policy toward intellectuals, demanding that all counties, cities, and departments, according to the requirements raised by the central leadership and the provincial CPC Committee, swiftly organize forces, give full play to their initiative, and do more practical work so as to achieve results in the work.

To resolve the problem of having a good understanding of the implementation of policy toward intellectuals, leaders at all levels must earnestly study a series of speeches and instructions issued by central leading comrades on policy toward intellectuals, keep pace with the new situation, and earnestly resolve the problem of attaching importance to knowledge and respecting, relying on, and trusting intellectuals. It is necessary to vigorously strengthen leadership over the work. All counties and cities must establish leading groups as soon as possible and all departments and units must specially appoint people to be in charge of the work. Leading cadres must personally hold meetings of intellectuals, and listen to opinions raised by intellectuals. They also must personally take up and resolve important problems in the implementation of policy toward intellectuals. Moreover, in carrying out the inspection work, it is necessary to resolve problems while examining the work. All counties, cities, and units must base themselves on examining and resolving problems themselves. They must investigate and resolve the existing problems one by one, but must not shift responsibilities, delay, or take a prefatory attitude. Nor should they remain indifferent or refuse to resolve the problems. It is necessary to first grasp those negative typical cases of delaying, interfering in, and obstructing the implementation of policy toward intellectuals and grasp it through to the end until the problems are resolved.

According to a resolution of the meeting, the office for the leading group has transferred from relevant district-level departments some comrades who are interested in work on intellectuals to organize four work groups, which are to be dispatched to all counties, cities in drought-affected areas and all units directly under the district organs to carry out work.

GUANGXI'S WEI CHUNSHU DISCUSSES PRIORITY PROJECTS

HK280752 Nanning Guangxi Regional Service in Mandarin 1130 GMT 26 Apr 84

[Text] In his government work report to the second session of the sixth regional People's Congress, Wei Chunshu, chairman of the regional People's Government, stressed that it is necessary to vigorously strengthen leadership so as to completely fulfill the task for the construction of priority projects.

this year, the central and local authorities have made arrangements for investing in six priority construction projects in our region, including the (Tianshenqian) hydropower plant on the (Da He), (Yantan) hydropower plant, (Dahua) hydropower plant, [word indistinct] (Nanfang) Railway, [words indistinct] expansion of the Liuzhou cement factory, the Nanning plate glass factory, (Dachang) Mineral Industry Bureau, (Shizichong) lead and zinc mine, the Liuzhou chemical fertilizer factory, Guixian County cold storage, the regional television and radio broadcasting center, the research institute for early phase tumors, and the Guixian sugar refinery. All these are important projects concerning the overall situation of the national economy and will play an important role in revitalizing the region's economy. We must continue to implement the guiding principle of the CPC Central Committee on concentrating financial and material resources to ensure the construction of priority projects, unify our thinking, strengthen our leadership, firmly grasp construction, and do our utmost to ensure the fulfillment of these projects.

It is necessary to earnestly carry out the work of organization and management in the building of priority projects, promote the bidding and contract systems, strive to reduce the costs of building projects, shorten construction periods, and raise efficiency in investment. During the whole period from the beginning of construction to the completion of projects, the construction period, and pricing requirements, it is necessary that responsible departments or prefectures and cities must take up overall responsibilities and ensure the fulfillment of the projects according to production ability in planned investment as stipulated by the state.

It is necessary to establish a powerful command and control system and to strengthen on-the-spot command organizations. Those principal leaders who are responsible for the construction of priority projects must assume personal command, and grasp the work through to the end. It is necessary to make priority arrangements for supplying funds, materials, and equipment urgently needed in priority projects, and resolutely prevent and eliminate such unhealthy ideas and practices of benefiting from others and profiteering.

Relevant departments must vigorously support the construction of priority projects. Design units must select the most excellent proposals and upgrade design quality. Material, equipment, traffic, and commerce departments must initially go to the sites to do a good job in overall control and meet the needs of construction in all fields. Local governments at all levels must pay attention to and support the construction of priority projects and promptly help at the sites to resolve various problems.

GUANGXI PEOPLE'S CONGRESS PRESIDUM HOLDS MEETING

HK271321 Nanning Guangxi Regional Service in Mandarin 1130 GMT 26 Apr 84

[Text] On the morning of 26 April, the presidium of the second session of the sixth regional People's Congress held its second meeting. The meeting was presided over by Zhong Feng, executive chairman of the presidium. According to the proposal raised by (Mei Liren), president of the regional Higher People's court, the meeting adopted a list of candidates for president of the Intermediate People's Courts of Liuzhou Prefecture, Nanning Prefecture, and Guilin Prefecture and decided to submit the draft of the name-list as a nomination of the presidium to all delegations for deliberation and discussion.

At the meeting, Wei Zhangping, deputy secretary general of the meeting, reported how the deputies discussed over the past 3 days the government work report made by Chairman Wei Chunshu. Wei Zhangping mainly spoke on three issues:

1. The deputies are satisfied with and support the government work report. This report told the truth instead of falsehoods. It admitted the backwardness of the region but was not reconciled to it, raising effective measures for catching up with other provinces and revitalizing Guangxi's economy.
2. The 11 measures and the 12 proposals for developing industry which were raised in the government work report are good. This is a good beginning for revitalizing Guangxi's economy. However, it is necessary to further eliminate the leftist influence in the economic field and to break various old conventions and restrictions which hinder economic development. Only thus is it possible to implement the policies and measures in a down-to-earth manner.
3. People now realize the fighting target for revitalizing Guangxi's economy, understand Guangxi's superiority, and can set up high aims and lofty aspirations to fight for the realization of the bright prospects of socialist modernization in our region.

GUANGXI PEOPLE'S CONGRESS SESSION CONCLUDES

HK300245 Nanning Guangxi Regional Service in Mandarin 1130 GMT 29 Apr 84

[Excerpts] The second session of the sixth regional People's Congress concluded today after completing all its agenda items. The session lasted 7 days. Executive chairman Zhong Feng announced the start of the closing ceremony. The session passed resolutions on the government work report, on the outline of the region's national economic and social development plan, on the report on the final accounts for 1983 and the draft budget for 1984, and on the work reports of the regional People's Congress Standing Committee, Higher People's Court, and People's Procuratorate. Regional People's Government Chairman Wei Chunshu, Vice Chairmen Wang Zhuguang, Zhang Shengzhen, Gan Ku, Wang Rongzhen, and Wu Keqing, and adviser Luo Ming were seated in the presidium.

GUANGXI PLANS INTRODUCTION OF FOREIGN TECHNOLOGY

OW290612 Beijing XINHUA in English 1229 GMT 28 Apr 84

[Text] Nanning, April 28 (XINHUA) -- The Guangxi Zhuang Autonomous Region plans to launch 91 projects to introduce foreign technology and equipment involving an estimated 91 million U.S. dollars this year, according to the regional government officials. The foreign technology and equipment introduced will be used for upgrading existing enterprises in metallurgy, building materials, light industry, textiles, pharmaceuticals, chemicals and electronics. This is part of a program initiated earlier this month to turn Guangxi along with Chongqing into pace setters in introducing foreign funds and technology in southwest China. The region abounds in mineral resources. It now trades with 80 countries and regions. Its port city of Beihai was allowed recently to adopt flexible economic policies to make use of more foreign funds together with 13 other Chinese coastal cities.

GUIZHOU FINANCE DIRECTOR GIVES WORK REPORT

HK290411 Guiyang Guizhou Provincial Service in Mandarin 1230 GMT 27 Apr 84

[Excerpts] The second session of the sixth provincial People's Congress held its second full gathering this afternoon. Executive chairman Luo Dengyi presided. (Wang Zhaopu), director of the provincial Finance Department, first delivered a report on the province's final accounts for 1983 and the draft budget for 1984.

He said that in 1983 the province achieved a balanced budget with a surplus. This promoted the development of production, construction, and all undertakings. He also said the relatively good results in the final accounts for 1983 are mainly due to grasping the following work: 1) Substituting tax payment for profit delivery in all state-owned enterprises; 2) stepping up tax collection work; 3) promoting the work of reducing deficits and increasing surpluses in enterprises; 4) ceasing to practice the method of setting a base figure for reducing or waiving agricultural taxes, and reviving the collection of agricultural taxes; 5) strictly controlling non-production expenditures and economizing in public spending.

He said: We must get a good grasp of the following tasks in order to fulfill the budget for 1984: 1) Actively support the development of rural commodity production and circulation; 2) strive to improve economic results and work to reduce deficits and increase surpluses in enterprises; 3) further strengthen tax collection work and prepare for the second stage in substituting tax payment for profit delivery; 4) tangibly strengthen financial supervision; 5) guarantee the key points and seek practical results; 6) raise the utilization rate of capital.

Wu Shi, chairman of the provincial People's Congress Standing Committee, then delivered a written report on the work of the committee.

STATE COUNCIL APPROVES SICHUAN AUTONOMOUS COUNTIES

HK271001 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 27 Apr 84

[Text] The State Council has recently approved the establishment of Maban Yi Nationality Autonomous County and Ebian Yi Nationality Autonomous County. The two autonomous counties will be under the jurisdiction of Leshan Prefecture.

XIZANG PARTY PLENARY SESSION CONCLUDES

HK290333 Lhasa Xizang Regional Service in Mandarin 1130 GMT 27 Apr 84

[Excerpts] The second enlarged plenary session of the third regional CPC Committee concluded this afternoon. Doujiacaiden, secretary of the regional CPC Committee, presided at the closing ceremony. Redi, secretary of the committee, made a speech. This session lasted 12 days. In the spirit of party rectification, it focused on seriously studying and resolutely implementing the spirit of the forum on Xizang work convened by the CPC Central Committee Secretariat and on emancipating the mind, continuing to eliminate leftist influence, doing everything possible to promote the economy, and striving to press forward Xizang work more rapidly and in great strides, to enable the people to get rich as soon as possible.

The participants pointed out in particular: The CPC Central Committee is very concerned for Xizang. It has pointed out for us the orientation of advance, set the goals of endeavor, and formulated a whole series of special principles and policies.

Fraternal provinces and municipalities are also enthusiastically supporting us. The people of the region urgently hope to get rich as quickly as possible. These are all favorable conditions and the basis for doubling the actual income of the peasants and herdsmen in 3 to 5 years.

The participants also soberly realized that Xizang's natural conditions are rather poor, communications are bad, and there are many other difficult factors. It is a very arduous task to achieve this doubling in 3 to 5 years. However, they held: So long as we proceed from Xizang reality in everything, take advantage of the strong points and avoid the weak ones, and bring our superior features into play, we will certainly be able to improve work in Xizang faster and in big strides, and enable the people to get rich as quickly as possible. In his speech at the closing ceremony, Comrade Redi demanded that the party organizations at all levels, and especially the leading party and government cadres at all levels, seriously study, profoundly appreciate, and correctly grasp the spirit of the forum on work in Xizang and seriously review the work of recent years. Through seriously summing up experiences and lessons, they should thoroughly eliminate leftist ideological influence, concentrate efforts to rapidly promote the economy, and enable the people to get rich as soon as possible.

The closing ceremony was attended by Yin Fatang, Yangling Douji, Ba Sang, Song Ziyuan, Wang Xinqian, Cao Xu, Jiangcun Luobu, Li Wenshan, Dan Zeng, and Hu Sonjie, responsible comrades of the regional CPC Committee.

YUNNAN PEOPLE'S CONGRESS HOLDS PREPARATORY MEETING

HK250215 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 24 Apr 84

[Excerpts] A preparatory meeting for the second session of the sixth provincial People's Congress was held today. Liu Minghui, chairman of the provincial People's Congress Standing Committee, presided. The meeting approved the session's agenda, elected its presidium and secretary general, and approved the lists of members of the budget and bills committees. Present at the meeting were Sun Yuting, Qi Shan, Zhang Zizhai, Wang Shaoyan, Yan Yiquan, Li Guiying, Ma Wendong, and Wang Shichao, vice chairmen of the provincial People's Congress Standing Committee. The session presidium held its first meeting this afternoon. The meeting elected the executive chairmen of the presidium together with the deputy secretaries general of the session. The executive chairmen of the presidium are Liu Minghui, Sun Yuting, Qi Shan, Zhan Tianfang, Wang Shaoyan, Zhang Zizhai, Li Hecai, Yan Yiquan, Li Guiying, Ma Wendong, Wang Shichao, and Wang Lianfang. The deputy secretaries general are (Li Mingde), (Zheng Zixiang), (Wang Zhumin), and (Yan Zhen).

YUNNAN SEEKS DEMOCRATIC PARTY VIEWS ON RECTIFICATION

HK271000 Kunming Yunnan Provincial Service in Mandarin 2300 GMT 26 Apr 84

[Text] The Yunnan Provincial CPC Committee held a forum of monparty personages yesterday [26 April] to solicit opinions on party rectification, comparison, and examination work of the Standing Committee of the provincial CPC Committee. Leading comrades of the provincial CPC Committee An Pingsheng, Li Qiming, Liang Jia, Pu Chaozhu, and Liu Shusheng held cordial talks with the responsible persons of the various democratic parties in Kunming and invited them to help the Standing Committee of the provincial CPC Committee in doing party rectification well. Comrade Liu Shusheng presided over the forum. The democratic party personages took the floor one after another to put forward opinions and suggestions for improving the work of the Standing Committee of the provincial CPC Committee. Han Huaizhi, member of the liaison group of the Central Commission for Guiding Party Rectification, was also present on the occasion.

NEI MONGGOL HOLDS PARTY RECTIFICATION MEETING

SK300304 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 29 Apr 84

[Excerpts] On the afternoon of 28 April, the Party Rectification Office of the Regional CPC Committee held a meeting of party-member leading cadres of organs under the direct jurisdiction of the region to make arrangements for the first group of party rectification units to make comparisons and examinations and to set forth clear and definite requirements. The meeting was presided over by Wu En, vice chairman of the regional party rectification office. Liu Guiqian, deputy secretary of the regional CPC Committee, gave a speech. He said that over the past 5 months, the first group of party rectification units have done a fairly good job in their study, which enables the broad masses of party members to better understand the basic principles, tasks, policies, and methods, to strengthen their confidence in party rectification, and to enhance their initiative in joining the party rectification campaign. Through simultaneous studies and discussions, all units have basically discovered their own problems. Certain achievements have also been made in making rectification and corrections simultaneously. Many party rectification units have improved their party style and work style. Encouraging changes have been made in the organizational outlook. The organizational mental state of the party-member ranks has been basically known. The work of eliminating the three-types of persons is being carried out in an in-depth, well-guided, and step-by-step manner, creating favorable conditions for the comparison and examination stage.

After reviewing the achievements in the study of the first group of party rectification units, Comrade Liu Guiqian noted: Making comparisons and examinations is a key stage of this party rectification. We should make necessary preparations in order to make comparison and examination work successful. We should continue to attend to studying party rectification documents, to enhancing understanding further, to unifying thinking, and to defining the party rectification requirements. A good job should be done in holding meetings of party committees, party organizations, party branches, and party groups, and further efforts should be made to study major problems of respective units to see whether their ideology, work style, discipline, and organizations suit or go against the party's general tasks and objective.

Comrade Lu Guiqian noted: Leading bodies and party members should focus their examination work on the important problems existing in the implementation of the party's line, principles, and policies and of the CPC Central Committee's series of important directives on Nei Monggol's work, especially problems that affect and hinder the creation of a new situation -- in the guiding ideology of our professional work, in ideology and work style, in eliminating the leftist influence, in reforms, in party spirit, work style and discipline, especially the unhealthy trends of abusing one's power to seek personal gains and of bureaucratism, in carrying out democratic centralism, and in leading bodies' self improvement. Responsible comrades of the regional CPC Committee office, the Scientific and Technological Commission, and the Discipline Inspection Commission introduced their achievements in the first stage of the party rectification study.

HEILONGJIANG PEOPLE'S CONGRESS MEETING ENDS

SK280534 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 27 Apr 84

[Excerpts] The seventh Standing Committee meeting of the sixth provincial People's Congress closed this afternoon after a 4-day session. Chen Yuanzhi, vice chairman of the provincial People's Congress Standing Committee, presided over the meeting. Today's meeting discussed and adopted the resolution on extensively and penetratingly building civilized villages and units and on some cadres' appointments and removals.

Zhao Dezun, chairman of the provincial People's Congress Standing Committee, spoke at the meeting. He said: Peasants finding it difficult to sell their farm sideline produce has already become a major problem hampering the current development of commodity production and a problem with which the peasants are most dissatisfied and ask for an urgent solution. All levels of leaders must pay great attention to this problem. The suggestions of the provincial People's Government are very good. The key lies in implementation.

First, all levels of people's governments should conscientiously implement policies, actually improve work style, conduct intensive investigations and study, and make real improvements in fields of ideology, organizations, and measures so as to meet the needs on developing rural commodity production and truly solve peasants' problems in selling their farm sideline produce.

Second, sustained efforts should be made to smooth the channels of commodity circulation, relax policies, and enliven the economy so as to promote the development of commodity production.

Third, it is necessary to strengthen the guidance on commodity production information. The changes of supply and demands on the provincial, domestic, and international markets should be grasped in an accurate and timely manner, and market information should be transmitted rapidly. By so doing it will be possible to organize and guide peasants to develop production in line with market demands and plans.

Fourth, we must foster firm production, mass, and policy viewpoints, straighten out management ideas, and improve our work style so as to better serve the grassroots units, rural areas, and the development of key and specialized households.

Attending today's meeting were Lu Guang, Zhang Ruilin, Wang Jinling, Wang Pili, and Wang Zhaozhi, vice chairmen of the provincial People's Congress Standing Committee; and Zhao Zhenhua, secretary general of the provincial People's Congress Standing Committee. Attending as observers were He Shoulun, deputy governor; Zhang Li, president of the provincial Higher People's Court; and responsible persons of the relevant provincial departments. Also attending as observers upon invitation were responsible persons of the cities under the jurisdiction of the provincial government; and responsible persons of some prefectural and county people's congress standing committees.

GANSU'S LI ZIQI ON HELPING POOR BECOME PROSPEROUS

HK251232 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 24 Apr 84

[Text] A provincial civil administration work meeting, which concluded today, stressed that social welfare work should be shifted from merely providing relief to helping poor households become better off. The provincial civil administration work meeting lasted 7 days. Work for helping poor households become better off was arranged at the meeting. This year the provincial authorities have allocated a fund of 37 million yuan for 364 townships, 190,000 households, and 1.1 million people. One-third of the fund was provided for drought-afflicted counties and poor counties in Wudu Prefecture.

The meeting maintained that to do a good job in helping poor households become better off, attention should be paid to the following points: 1) Making appraisals in a democratic manner and accurately selecting poor households; 2) investing in commodity production which can easily be developed; 3) making good use of funds for helping poor households so as to raise economic results; and 4) setting up and perfecting organizations for helping poor households and implementing the responsibility system in this respect.

The provincial Civil Administration Department has signed contracts with many localities on helping poor households. Vice Governor Nian Dexiang presided over the meeting and Comrade Li Ziqi, secretary of the provincial CPC Committee, spoke at the meeting. He said that civil administration work is arduous. By helping poor households become better off, we have grasped the key point of our work. In the past we paid attention only to providing relief, and therefore no marked results were achieved. This year we have allocated a fund of 37 million yuan for helping poor households become better off. If this fund can be used in a proper way, a new situation will emerge.

He continued: This fund must be earmarked for its specified purpose only. Cadres who use this fund for their personal gain or who practice egalitarianism must be held responsible for what they do and must be seriously dealt with. The work of helping poor households should be combined with the work of planting trees and grass, with developing a diversified economy, and with expanding commodity production. We should establish the responsibility system and do a good job in service work. Cadres and party members, including prefectural and county leaders, should accurately select poor households and help them get rid of poverty and become better off as soon as possible.

GANSU COMMENTARY URGES HELPING PEASANTS GET RICH

HK260523 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 24 Apr 84

[Commentary: "Devote Much Effort To Doing Well in the Work of Helping Poor Households"]

[Text] To help poor rural households is an important policy of the party. China is a socialist country. While we allow some peasants to get rich first, we must devote much effort to taking care of and helping the poor peasants. We must help them to develop production, to extricate themselves from poverty, and to get rich as soon as possible. Judging from the situation of experimental units in the food industry of the province, the masses welcome and support our work in the industry. They say: While the provision for relief to the poor is just like bringing them a bucket of water; our assistance to them is just like digging a well for them. The supply of water in a bucket is limited, but it is not the case with a well. This is because there is unlimited supply of water in a well.

Since the province is repeatedly devastated by natural calamities, has a poor foundation, and has many poor peasants, we must devote much effort to doing well in the work of helping the poor households, in order to achieve the goal of stopping all damage within 3 years and solving the problem of having insufficient food to eat and clothes to wear within 5 years. In helping poor households, we must conduct thoroughgoing and painstaking ideological and political work and educate them in establishing confidence in self-reliance and in getting rich through hard labor. Based on this foundation, we should make appropriate arrangements in the utilization of funds, and help poor households to work out plans, to acquire more means of production, and to develop various kinds of production, so that they can extricate themselves from poverty as soon as possible and get rich.

The work of helping the poor is intensive work on a large scale, and has a strong policy nature. Civil affairs departments at various levels must spare no effort in grasping the work, while the departments and parties concerned must coordinate closely in carrying out the work. Party committees and government in various localities should include the work in their agenda. They should study it frequently and mobilize the initiative of various fields to make concerted efforts to do well in the work.

NINGXIA POWER STATION PERSONNEL DISCIPLINED

OW261141 Beijing Domestic Service in Mandarin 1200 GMT 23 Apr 84

[Text] According to our reporter (Luo Dasen), the CPC Committee of the Electric Power Bureau of Ningxia Hui Autonomous Region took serious action on 20 April to deal with the incident involving the (Dawukou) Power Supply Station of the Yinchuan Power Supply Bureau, which had unjustifiably caused difficulties to electric power users. Disciplinary and administrative measures were taken against the personnel involved in this incident.

On 20 March the Shizuishan City Broadcasting Station in Ningxia broadcast a news report of a critical nature. The report said that the accountant of the labor service company under the first division of the Ningxia Coal Mining Capital Construction Corporation had refused to reimburse expenses for a banquet given to some persons working at the (Dawukou) Power Supply Station. On 22 March the personnel on duty at this power supply station suspended, without any valid reason, the power supply to the first division of the Ningxia Coal Mining Capital Construction Corporation for as long as 20 hours, resulting in an economic loss of some 4,300 yuan. Later the station's party branch secretary, (Wang Helin), Director (Zhang Yunyin), and Deputy Director (Zhao Yunchuan) pretended to know nothing about this matter. They did not investigate or deal with the matter, thus encouraging the malpractice of these personnel. As a result, after the above incident, power supply to the first division of the Ningxia Coal Mining Capital Construction Corporation and to the Shizuishan City Broadcasting Station was cut off on many occasions. It has been learned that since the beginning of this year the (Dawukou) Power Supply Station arbitrarily suspended power supply to 15 units; the duration of power outage varying from 1 or 2 days to as long as over 10 days.

As the unscrupulous practice of the power supply station was exposed in press and radio broadcasts in Ningxia, it came to the attention to Li Xuezhi, secretary of the regional CPC Committee, who immediately instructed the Electric Power Department to investigate and seriously deal with the matter. Thus, the party committee of the regional Electric Power Bureau dispatched a work team to the (Dawukou) Power Supply Station to conduct investigation. Based on the investigation, the Ningxia Regional Electric Power Bureau and its party organization separately made the following decision:

(Zhang Yunyin) was dismissed from the post of director of the station, and (Zhao Yunchuan) was dismissed from the post of deputy director. (Wang Helin), party branch secretary of the (Dawukou) Power Supply Station, was given warning and removed from his post within the party. (An Wenjiang), a worker responsible for the incident, was removed from the regular worker ranks and placed on probation for 1 year. (Zhu Jinhua), chief of the operations group, who caused difficulties to electric power users by arbitrarily cutting off power supplies, will be paid a wage that is one grade lower than his original wage, commencing from April. He will not receive any bonus and no longer holds the title of chief of the operations group.

NINGXIA'S LI XUEZHI INSPECTS SHELTERBELT PROJECT

HK270707 Yinchuan NINGXIA RIBAO in Chinese 10 Apr 84 p 1

[Report: "Ningxia Regional Leaders Inspect the West Yinchuan Shelterbelt Project"]

[Excerpts] Party, government and military leaders of Ningxia Region and Yinchuan City yesterday made an inspection tour of a building site of the west Yinchuan shelterbelt project and watched mechanical tree planting operation in the Beibao experimental tree and grass farm in Quzhen. The west Yinchuan shelterbelt project is one of the region's key forestry projects. The project will play an important role in improving the ecological environment around Yinchuan.

During the inspection tour, Li Xuezhi, Hei Boli, Hao Tingzao, and other regional leading comrades listened attentively to the views of the masses while planting trees with them. They commended the Ningxia PLA Command, the regional Department of Rural and Urban Construction, the regional Department of Heavy Industry, and other units for the arduous tasks they had undertaken. While they watched mechanical tree planting operations in the Beibao experimental tree and grass farm in Quzhen, they said that there were bright prospects for planting trees by machines owing to high efficiency and good quality.

NINGXIA STIPULATIONS FOR IMPLEMENTING DOCUMENT NO 1

HK261012 Yinchuan NINGXIA RIBAO in Chinese 8 Apr 84 pp 1, 2

[Report: "Certain Stipulations Formulated by the Regional CPC Committee and People's Government on Implementing Document No 1 of the CPC Central Committee (24 March 1984)"]

[Text] The "Circular on Rural Work in 1984" issued by the CPC Central Committee (the 1984 Document No 1 issued by the CPC Central Committee) is an important document for guiding rural work now and in future. CPC committees and governments at various levels, leaders at various levels, and various departments should conscientiously study and implement it. They should further emancipate their minds, relax policies, actively carry out reforms, further develop the new situation in rural areas, and do their work in a more solid way. The focus for rural work this year should be shifted to enhancing the level of productive forces, dredging circulation channels, and developing commodity production on the basis of stabilizing and improving the responsibility system in production. We have formulated the following stipulations in light of practical conditions in our region:

1. We should continue to stabilize and improve the land contract system. The period for the use of land under contract should be extended beyond 15 years. The period for managing fruit trees, forests, fish ponds and others, which require a longer period of production, should be extended beyond 30 years. The policy of contracting barren hills, wastelands and small rivers to peasants will remain unchanged for a long time. Children of peasants concerned have the right of inheritance.

County people's governments will issue certificates for the use of land. Prior to the extension of the period for the use of land, if the masses demand a readjustment of land, the collective is allowed to carry out the readjustment in a unified way on the basis of full discussion, and in accordance with the principle of "keeping the greater part unchanged and readjusting only the smaller part." The contracted land will not, in principle, be readjusted due to population change because of marriage and death. If peasant households with more members demand an increase of contracted land, cooperative economic organizations, or villages, townships, and counties may allot wasteland to them in light of actual demand. If the contracted land is profusely scattered, mutual exchange of land among peasant households on a voluntary basis is allowed. This should be reported to the cooperative economic organizations for record purposes. Buying, selling and renting of land are prohibited. Houses, graves, and brickyards built on private plots without approval from higher authorities should be removed within a definite time. The collective should promptly take back land which lies in waste, or is uncultivated.

2. We should improve the system of integrating unified management with decentralized management. The establishment of local cooperative economic organizations can be based on villages, production teams, and integrated production teams. If the establishment of a local cooperative economic organization is based on village or integrated production teams, egalitarianism and indiscriminate transfer of the assets of the former production teams are not allowed. Their creditor rights and debts should be properly handled. The work focus of local cooperative economic organizations is to serve peasants who develop commodity production. They should do well in land management and undertake management work based on contracts. They should also do well in administering water conservancy facilities and agricultural machinery; organizing plant protection, epidemic prevention and popularizing science and technology; in processing, transporting and selling agricultural and sideline products; in initiating construction of water conservancy works, and in providing services before and after the production. Active measures should be taken to recruit members of the leading bodies of the cooperative economic organizations. It is not advisable to stick to one pattern in selecting and using talented personnel.

Various autonomous prefectures and various counties should set up commissions for guiding rural cooperative economy. These commissions should be jointly led by responsible comrades of the CPC committees and governments in charge of agriculture, finance, and trade. The offices concerned should be placed under rural work departments. They should provide more guidance for rural cooperative economic organizations and the reform of rural economic system, and help departments concerned solve practical problems arising in the development of rural commodity production.

3. We should vigorously develop and assist specialized households. On the basis of knowing the real situation of their natural resources, various localities should formulate feasible plans for promoting commodity production, and for vigorously developing specialized households engaged in carrying out production in new economic sectors, specialized households engaged in producing commodity grain, specialized households engaged in breeding livestock, and other specialized households engaged in service trades such as epidemic prevention, plant protection, seed supply, processing, transportation, sales and so forth. Various necessary social services should be provided for specialized households. Units in various counties and villages responsible for popularization of agrotechnology, veterinary service, farm tool management, administrative guidance and so forth should do well in carrying out reforms, gradually develop enterprise-type management, expand and improve services, and provide paid services. Scientific and technical units should guide specialized households so that they can apply advanced production technology, and sign various kinds of technical contracts with them. Administrative and management centers in various counties should be expanded. They should cooperate with departments concerned to provide peasants with necessary information, and guide the production of specialized households in order to avoid blindness in production.

They should help and guide specialized households to strengthen scientific management, carry out economic accounting, and enhance economic results. Agricultural, commercial, supply and marketing, as well as goods and materials departments, should give priority to supplying specialized households with chemical fertilizer, fine varieties of seeds, and other capital goods. Credit departments should provide specialized households with timely loans, and truly assist them in developing commodity production.

We should adopt forceful measures to help specialized households engaged in livestock breeding solve the problem of fodder. Additional land for planting fodder, and courtyards which needed by specialized households as a result of the expansion of their production, can be allotted from scattered wasteland, idle land, and land kept in reserve with the approval of the township authorities. Specific methods will be formulated by land administration departments. We should vigorously develop feed processing production. Grain departments should firmly grasp the building of a number of feed processing plants. Apart from that, we should actively assist supply and marketing cooperatives, cooperative economic organizations, and the masses to raise funds in order to run small-scale feed processing plants, to carry out feed processing with materials supplied by clients, to operate the business of exchanging grain for fodder, and so forth. The region will allocate some grain which will be used as fodder. We should purchase meat, fowl, eggs, milk and fish from specialized households at fixed prices, and also provide them with fodder at fixed prices. If we purchase the above mentioned goods from them at negotiated prices, we should provide them with fodder at negotiated prices. Price differences which result from selling fodder at fixed prices will be subsidized by financial departments.

We should resolutely protect the legitimate rights and interests of specialized households. The decisionmaking power of specialized households in business and their economic interests are protected by the law. Unilaterally altering and tearing up contracts is not allowed. The parties concerned must pay, according to law, for losses suffered by specialized households as a result of the unilateral tearing up of contracts. Those who sabotage the production of specialized households, or fleece them should be severely dealt with. All political and economic verdicts wrongly passed on specialized households. After the transmitting of the 1983 Document No 1 issued by the CPC to the lower levels should be resolutely redressed. All departments are forbidden to arbitrarily exact payment or donations from specialized households under any pretexts. We should educate specialized households so that they abide by the party policy and state law, improve their business style, and correctly handle the relations between the state, the collectives, and individuals.

4. We should profoundly carry out structural reforms in supply and marketing cooperatives and in credit cooperatives. In accordance with the collective ownership nature of shops run by peasants, supply and marketing cooperatives should adopt special measures to carry out reforms in terms of personnel management, offering shares to peasants, business scope, labor compensation, purchasing and selling prices, and so forth in the interest of developing rural commodity production. They should also gradually increase their manpower and material resources and expand their decisionmaking power in production, supply, and sales to ensure that they truly carry out independent accounting, and assume sole responsibility for their profits or losses. Directors and deputy directors of basic level supply and marketing cooperatives should be elected by commune members. Their staffs should be assessed, appointed, or recruited by the councils of the basic level supply and marketing cooperatives. With the exception of those state cadres, the newly recruited works of basic level supply and marketing cooperatives should be based on the contract system. They can be dismissed or transferred to other places. Basic level supply and marketing cooperatives should go beyond the present scope of business and services. They should adopt various kinds of flexible methods of purchase and sale in terms of distribution, purchasing, selling and doing business on specialized households' behalf, renting and so forth.

They should provide peasants with production and consumer goods, and help them sell their products. They can properly collect service fees when doing business on the peasants' behalf. The prices of agricultural and sideline products of the third category and those of the second category which have fulfilled the quotas of centralized procurement and assigned procurement can be flexibly fixed in accordance with product quality and market demand and supply. We should promote various kinds of joint operations in agriculture, industry and commerce, mainly based on specialized households and economic integrated bodies in terms of production, purchase, sale, processing, storage, transportation, technical service and so forth. This year, various counties should conduct experiments in one or two villages. To set up rural comprehensive service centers, integrated economic cooperatives should be established, which are mainly based on supply and marketing cooperatives and include economic and technical service departments at township level.

Credit cooperatives should speed up the progress of their structural reforms. They should restore and enhance their mass character in organizations, their democratic character in management, and their flexibility in business. Under the leadership and supervision of agricultural banks, they should abide by the financial policy of the state, carry out independent accounting, and gradually assume sole responsibility for profits or losses. In light of the new situation in rural areas, they should simplify the process for providing loans and establish branches at lower levels. The interest rates for loans can be floated. With regard to peasant households which lack funds for developing commodity production, they can also be provided with loans as long as the direction of their production and business is correct and they have great prospects in their business.

5. We should open up all avenues for commodity circulation. Agricultural and sideline products of the third category, and agricultural and sideline products which have fulfilled the quotas of centralized and assigned procurement should be allowed to be sold at negotiated prices through various channels. They should be truly allowed to be transported to other counties and areas. The previous decision that transferring products should be approved by departments concerned has now been abrogated. The rural cooperative economic organizations and state farms may set up their own commercial organizations. While purchasing and selling agricultural and sideline products, they are allowed to collect service fees. They are allowed to sell their products in townships and villages. We should continue to increase the number of individual traders. In particular, we should pay attention to the role in circulation played by specialized households engaged in transport and sale.

We should truly solve the difficulty in selling grain. Grain departments should take active measures to purchase grain from peasants. They should fix the purchase price according to the quality of grain. They are not allowed to force prices down and arbitrarily downgrade the grain. While the state is building warehouses, we should also encourage the collective and peasant households to build their own warehouses to help the state store grain. They will be given management fees if they store grain for the state. After fulfilling quotas of grain and edible oil sold to the state, the rural cooperative economic organization and peasants should be allowed to process, transport, and sell their surplus grain and edible oil. After fulfilling the quotas for selling grain and edible oil to the state, state farms are allowed to sell their surplus grain and edible oil inside and outside their areas. Industrial and commercial enterprises which use grain and edible oil as their main raw materials, and other government organs, organizations and PLA units are allowed to buy grain and edible oil from the market.

6. The purchase of agricultural and sideline products by the state should be based on contracts of purchase and sale. Various cities and counties should organize commercial, supply, and marketing departments to sign contracts with the rural cooperative economic organizations. The purchase of meat, fowl, eggs, milk, wolfberries, vegetables and so forth by the state should be linked with the supply of fodder and chemical fertilizer.

The region will urge various cities, counties, and state farms to implement the responsibility system in this respect. With regard to the quotas of centralized and assigned procurement as well as transferring of agricultural and sideline products to the state, the 1982 quotas should be taken as a base. Those who have overfulfilled the quotas will be supplied with more commodities which they badly need, whereas those who have failed to fulfill the quotas will get less supply. Various quarters should take active measures to do their work well to ensure the fulfillment of contracts.

7. We should lighten the burden on peasants. Township people's congresses should budget for funds needed in developing civil public undertakings such as rural education, family planning, training of people's militia, and giving special care to disabled servicemen and to family members of revolutionary martyrs and servicemen. The budget should be presented to county people's governments for approval and the funds will be used by basic level units in accordance with the unified plan. The maximum amount of the funds should, generally, not exceed the net incomes of peasants who base their production on contract. The retention of funds for various expenses in the cooperative economic organizations should be based on actual conditions. The retention of funds should only be used for accumulation funds, public welfare funds, and management fees in addition to paying agricultural tax. The total amount of funds for retention should, generally, not exceed 6 to 8 percent of the peasants' net incomes.

The annual repair of irrigation works should be based on the method of accumulated labor incomes. In other words, those who have gained greater benefits should contribute more funds. The previous method of raising funds on equal shares should be changed. We should improve the system of using water in a planned way and collecting fees according to the amount of water consumed. Contracts on water supply should be pursued to ensure that water supply will be carried out in accordance with farming seasonal needs, plans, and the actual amount needed. We should strengthen management work and collect appropriate water supply fees.

8. We should vigorously develop industry in townships and towns, with emphasis placed on fodder, food, building material, transport and small-scale energy industries. We should formulate unified planning and establish a rational system. We should encourage peasant households to run small-scale industry and supply and marketing cooperatives to run industry. The state can cooperate with the collective to run such industry. Peasants can also cooperate with each other in running industry. In accordance with the principle of rational economy, products which are suitable for processing in rural areas and state farms, should be resolutely processed in rural areas and state farms. Cities should support rural areas with technology. The elementary processing of products in rural areas should be linked with the refining process of products in urban areas to ensure that rural and urban areas will develop together.

Enterprises run by communes and production brigades should be consolidated and developed. They should on no account be weakened. In light of the sizes and peculiarities of their production and management, they should implement various economic responsibility systems, including a manager (factory director) responsibility system, and a system of sharing incomes, being responsible for profits, and so forth. Reforms should be gradually carried out in enterprises run by communes and production brigades. We should adopt the methods of checking up assets and capital, fixing fair prices for shares of enterprises, allocating shares to individual households, sharing out bonuses, turning enterprises run by communes and production brigades into joint enterprises based on partnership, and so forth, to return power and interests to the people.

With regard to rural enterprises run by communes and production brigades, which mainly rely on local materials for their production, the reduction of their taxes should be based on the 8-grade above-quota accumulated tax rates [ba ji chao e lei jin shui lu 0360 4787 6389 7345 4797 6651 4451 3764].

Regional tax bureaus will make specific stipulations in light of the profits of the enterprises concerned, and deal with different enterprises in different ways.

9. We should vigorously develop small market towns. In accordance with the principle of unified planning and appropriate centralized management, we should restore and develop state-operated, collective, and individual commerce. We should establish wholesale markets, storehouses, exchange centers, and various industries -- handicraft industry as well as service trades -- to serve the peasants' production and daily life. Peasants, who are engaged in industry, commerce and service trade, are allowed to settle in market towns provided that they can handle their own grain problem so that market towns will be gradually turned into economic and cultural centers in rural areas. Various prefectures, cities, and bureaus of state farms and land reclamation should conduct experiments in one or two market towns this year. They should carry out investigations and studies and formulate their plans well. They should submit their plans to the regional People's Government for approval.

10. We should further relax the policy on development projects to promote production. We should continue to implement "Several Stipulations on Policy for Planting Grass and Trees" formulated by the autonomous regional CPC Committee and People's Government. We should further expand private hills and extend the period for the use on these hills under contract. While opening up over vast areas barren hills, ditches, hillsides, beaches, wasteland, and ponds as well as lakes, peasant households should be allowed to hire hands and cooperate with other households to carry out combined operations. The system of remuneration according to work should be pursued. Workers and staff members of the state, who are engaged in agriculture based on the contract system, should be allowed to reserve their posts with their wages suspended. The state will subsidize them according to the stipulations concerned. We should vigorously develop and make use of small lakes and rivers. Peasant households and their family members should be encouraged and assisted to plant trees and grass on barren hills in remote areas. If they have difficulties in grain rationing and building houses, the state might suitably assist them. Wasteland, lakes, and ponds in irrigation areas which have not yet been contracted should be contracted to peasant households in a planned way and in accordance with the ability of the peasant households concerned. If certain localities lack the ability to develop them, they are allowed to break the barriers of ownership system, trades, and areas to invite other localities to submit a tender for the contracts of wasteland, lakes, and ponds. The state will not levy taxes and duties on goods on the newly developed land within 5 to 10 years. We should encourage the establishment of joint-stock companies whose funds, labor force, and facilities are jointly provided by the state, the collective, and the peasants. Peasant households should be encouraged to run small-scale farms, forest farms, and stock-raising farms.

11. We should allow peasants and the collective to circulate their funds in a free or organized way. We should encourage them to invest their surplus funds in processing industry and in other development projects. Those who run them will get the proceeds. The state will not levy taxes on the newly established fodder-processing plants and other basic facilities for commodity circulation such as warehouses, cold storages, and so forth within 5 years. If they still have difficulties after 5 years, the state will refrain from levying taxes on them for many more years.

The collectives should do well in managing and using their accumulation funds. Apart from using these funds to pay back loans owed by the collective, the collective can use them to run the enterprises of communes and production brigades, build small-scale irrigation works, and carry out other development projects. These funds can also be used to buy shares of undertakings run by the state-operated economic units, the cooperative economic organizations, and specialized households. The plans concerned should be first discussed by commune members.

After that, they should be submitted to village authorities for approval. These funds can also be used by commune members as circulating funds to develop commodity production, but should be recalled within a certain period of time.

12. We should establish and improve the personal responsibility system of cadres. Their efforts to actively fulfill economic quotas, accomplish the tasks assigned by leadership at higher levels, and complete the work for the masses should be used as criterion for assessing, awarding, and punishing cadres. Part-time cadres in villages and townships should follow a pay system of basic salaries plus floating subsidies. Full-time departments should follow a floating wage system on an experimental basis. The floating portion should not exceed 10 percent of their basic salaries.

13. We should exert great efforts to train rural cadres and talented personnel for rural construction. Various localities and cities should establish cadre schools for rural cooperative economy, and various countries should establish workers' technical schools, and run various kinds of professional training classes. Equal emphasis must be placed on political education, policy education, and scientific and technical education, as well as administrative and management education. Main basic level cadres, various kinds of technical personnel, and key members of specialized households should be trained in rotation within 3 to 5 years. This year, every county should turn a general high school into an agricultural school. When the conditions exist, high schools in townships should run training classes to train rural educated youths so that they will become the backbones of the rural cooperative economy as early as possible. The regional agricultural institute and three secondary agricultural schools should take the training of leading cadres of counties and townships as their important tasks. While continuing to implement policy for intellectuals and giving full play to the role of scientific and technical personnel in our region, we should adopt various kinds of flexible methods to actively import technology. Those scientific and technical personnel who are recruited from other provinces to assist construction in Ningxia will get excellent pay and conditions.

14. We should vigorously develop the building of civilized villages. Building civilized villages is a good method for simultaneously grasping the building of the two civilizations and strengthening political and ideological work for rural areas. We should learn from the experience of building civilized villages by the army and civilians. All enterprises and establishments of the state in the rural areas should form close ties with peasants nearby to carry out the activities of building civilized villages and townships. Proceeding from local conditions, they should act in a down-to-earth manner to do for the masses some good things within their power, which the masses have demanded. They should avoid following formalist methods. While building civilized villages, they should carry out the activities of promoting the party member-household contract system. They should also do well in assisting the poor and establishing closer ties between the party and the masses.

Previous documents and stipulations issued by various organizations and departments concerned should be rescinded if their contents run counter to the spirit of Document No 1 issued by the CPC Central Committee. When they encounter important problems connected with policies, they should submit a report to higher authorities for instructions.

QINGHAI ANNOUNCES REGULATIONS ON RELAXING POLICIES

HK231028 Xining Qinghai Provincial Service in Mandarin 1100 GMT 19 Apr 84

[Text] The 10-day provincial economic work conference ended yesterday. Focusing on the improvement of economic results, this conference laid emphasis on discussing the problem of reform.

It studied and arranged this year's economic work. With minds emancipated to a relatively large degree, a breakthrough was made in the matter of reform. At the closing session yesterday, Vice Governor Yin Kesheng gave a summing-up speech. Governor Huang Jingbo announced certain regulations of the provincial CPC Committee and the provincial government on relaxing policies and enlivening industrial and economic activities. He also made a speech. Zhao Haifeng, secretary of the provincial CPC Committee; Zhaxi Wangxu, vice chairman of the provincial Advisory Committee; Song Lin, chairman of the Standing Committee of the Qinghai Provincial People's Congress; Shen Ling, chairman of the provincial CPPCC Committee, and other leading comrades of the provincial CPC Committee, the provincial Advisory Committee, the provincial People's Congress, the provincial People's Government, the provincial Military District and the provincial CPPCC Committee, attended the meeting. (Xu Feiting), deputy head of the liaison group of the Central Commission for Guiding Party Rectification stationed in Qinghai, was also present.

In his speech, Vice Governor Yin Kesheng said that the main demands of this year's economic work call for emancipating the mind, relaxing policies, enlivening the economy and improving economic results. In actual practice, we must take reform as a driving force, seek the proper handling of various tasks in an overall manner, and strive for the realization of a simultaneous increase in production, in profits and taxes, and in financial income and for attaining the target of the Sixth 5-Year Plan for total industrial output value one year ahead of schedule.

Concerning the problem of reform, Yin Kesheng said that certain regulations formulated by the provincial CPC Committee and the provincial government on relaxing policies and enlivening the economy are very important documents. To thoroughly implement these regulations, we must first unify awareness and thinking, further emancipate the mind, act freely and carry out reforms with courage, thus paving the way for economic development. For us, this is a problem of great urgency. We must take note of the features in Qinghai which everyone says are backward. The more backward an area, the greater the need to relax policies and enliven the economy. Otherwise, it is very difficult to make a breakthrough and to change the features. The regulations now formulated by the provincial CPC Committee and the provincial government still belong to the category of reforms involving single items and not overall reforms. These reforms focus on expanding the decisionmaking power of an enterprise, making a break with the practice of sharing equally in the "big rice pot," and combining responsibility, power, and profits. Their ultimate aim is to let an enterprise retain more for itself and to let an individual earn more. We should be bold in creating the new, allow people to make experiments and to fail, and keep summing up experiences and making improvements.

Second, we must resolutely carry out given policies. Given stipulated regulations, if we do not put them into practice, this means the non-existence of such regulations. We must make what we say go and practice what we lay down. We can never allow using any excuse to avoid doing what we should. To carry out reforms, we must of course break with those regulations previously laid down. The leading comrades of various departments must support the practice of making reforms and be the advocates of reform.

Third, where an enterprise is emboldened by some power vested in it by given regulations, we must guard against abusing power and using power to serve private ends, given the absence of a fundamental turn for the better in the party style and the absence of real efforts toward party rectification at basic levels.

Vice Governor Yin Kesheng also touched on such problems as improving economic results, technical progress, and the work style. In his speech, Governor Huang Jingbo said that increasing experience has shown that to enable an enterprise to make profits, we must carry out reforms. Given the absence of reforms, there is no way out. Now, we have the experience of an initial reform.

Whether we can firmly carry out the 13 regulations chiefly depends on our cadres at various levels continuously emancipating the mind, eliminating the leftist influence, doing away with a state of passivity and obsession with stability and fear of trouble, overcoming the sentiment of shrinking from difficulties, and strengthening confidence in reform. Only in this way can we do a good job of reform, improve the economic results of enterprises, and accelerate the pace of construction.

Governor Huang Jingbo stressed that we must act in concert, up and down, at all levels, with simultaneous reforms carried out in all lines and trades. The problem now is that some departments and some areas only have in mind official documents issued by given departments and given areas. If you want to carry out reforms, they always confront you with previous documents without considering reforms as a whole. They may sit on proposed reforms and study any such proposal again and again letting things slide. If phenomena such as railroad policemen each taking charge of a given section, with a reform effected inside itself but not outside and at upper, but not at lower levels, continue to exist, then reform will naturally go nowhere. Therefore, all departments and all areas must foster the idea of coordinating all activities as in a chess game and must proceed from the interests of the province as a whole. Any department involved in an industrial reform must energetically act in coordination and strive to create a new situation.

QINGHAI'S HUANG JINGBO MEETS UN GRAIN SPECIALISTS

HK250752 Xining Qinghai Provincial Service in Mandarin 1100 GMT 23 Apr 84

[Text] Governor Huang Jingbo met (Tebuligis), a specialist sent by the UN Grain Planning Department and his party at the Xining guest house yesterday afternoon. Governor Huang Jingbo expressed his thanks to the UN Grain Planning Department for aiding the province in transforming low-yielding farmland. In a cordial and friendly atmosphere, host and guests exchanged broad views on the province's agriculture, forestry, animal husbandry, and construction of farmland and water conservancy in the agricultural areas of the province.

QINGHAI'S ZHAO HAIFENG, OTHERS AT LABOR GATHERING

HK290342 Xining Qinghai Provincial Service in Mandarin 1100 GMT 28 Apr 84

[Excerpt] The provincial Federation of Trade Unions held a forum of labor models and progressive figures this morning to mark May Day. Responsible comrades of the party, government, and army in the province including Zhao Haifeng, Huang Jingbo, Ma Wanli, Huanjue Cailang, Liu Feng, and Yin Kesheng, attended.

FOREIGN MINISTRY SPOKESMAN ON REAGAN MAINLAND VISIT

Press Conference Statement

OW280607 Taipei International Service in English 0100 GMT 28 Apr 84

[Text] In Taipei, spokesman of the Ministry of Foreign Affairs Mr Wang Chao-yuan expressed concern on behalf of the Government of the Republic of China over U.S. President Ronald Reagan's trip to Peking. In a press conference this morning, Wang said:

[Begin recording] We are very much concerned about President Reagan's visit to the mainland China. And we still deem that any sort of contact between the high-level officials of the United States and the mainland China would no doubt produce negative effect on the Sino-American relations. And our position has been repeatedly relayed through different levels and channels to the American side. And I believe that the American Government completely understands that.

In this regard, I would like to point out that recently President Reagan and American high-government officials have more than once on different occasions reiterated its desire to maintain and strengthen the Sino-American relations and, furthermore, further stated that the American Government, when they make a new friend not at the expense of abandoning an old friend. [sentence as heard] This again showed to the public that the American Government attaches great importance and very treasures the Sino-American relationship. So, in this regard, we will notice the future development of the relations between the United States and the mainland China. And we will from time to time deal with the problems adequately. [end recording]

No Compromises With Mainland

OW280639 Taipei Domestic Service in Mandarin 2300 GMT 27 Apr 84

[Text] Wang Chao-yuan, spokesman of the Ministry of Foreign Affairs, has again reiterated that under no circumstances we will change our firm stand of holding no negotiations or talks and making no compromises with the Chinese Communists. He stated: Intensifying its international united front work in recent years, the Chinese Communists have incessantly tried to attack us through diplomatic, economic, cultural and sports activities in an attempt to break our morale, shake our determination against communism, and achieve the aim of isolating us. Unity and concerted efforts of our people from top to bottom in face of the difficult situation will definitely smash this Chinese Communist conspiracy.

Comments on Hong Kong

OW292133 Taipei Domestic Service in Mandarin 2300 GMT 27 Apr 84

[Text] The spokesman for the Ministry of Foreign Affairs, Wang Chao-yuan, said: The Chinese Communists are a rebellious group that has no right to represent China. Our government will regard as invalid any negotiations or agreements between the Chinese Communists and Britain over the future status of Hong Kong.

Wang Chao-yuan reiterated our government's position on the future status of Hong Kong, which is that the aspirations of the Hong Kong residents to maintain their economic prosperity and democratic system must be fully respected and considered.

CNA CARRIES DELETED PORTIONS OF REAGAN'S SPEECH

OW281425 Taipei CNA in English 1342 GMT 28 Apr 84

[Text] Washington, April 28 (CNA) -- The fact that the Peiping regime edited out certain portions of President Ronald Reagan's speech in Peiping Friday fully reflects the basic difference in philosophy between the United States and Communist China. It also demonstrates Peiping's attitude about the propagation of the concept of free enterprise and religious freedom on the Chinese mainland.

Following are some of the passages in President Reagan's speech which were edited out by the communist regime when the speech was broadcast on Red China's television:

"Trust the people. These three words are not only the heart and soul of American history, but the most powerful force for human progress in the world today. Those who ignore this vital truth will condemn their countries to fall farther and farther behind in the world competition for economic leadership in the 1980's and beyond."

"The societies that have made the most spectacular progress in the shortest period of time are not the most rigidly organized, nor even the richest in natural resources. No, it is where people have been allowed to create, compete and build, where they have been permitted to think for themselves, make economic decisions and benefit from their own risks, that societies have become the most prosperous progressive, dynamic and free."

"...We have drawn tremendous power from two great forces -- faith and freedom. America was founded by people who sought freedom to worship God and to trust in Him to guide them in their daily lives with wisdom, strength, goodness and compassion."

President Reagan have often talked along these lines back in the United States. They represent his political philosophy. It may be recalled that in the past when he talked about the societies that have been proved successful through the free enterprise system, he sometimes cited the Republic of China as one of them.

TAIWAN MEDIA ASSESS REAGAN'S MAINLAND VISIT

Visit Makes KMT Nervous

OW291009 Taipei CHEN CHIH CHIA in Chinese No 11, 24 Apr 84 p 16

[Cover story article by Wu Ping-hsun: "Reagan's Visit to China Mainland and Goldwater's Visit to Taiwan"]

[Excerpts] The World Is Attentively Watching Reagan's Visit

U.S. President Reagan left Washington on 19 April. After making a stopover in Washington State on the West Coast, he went to California. He left California on 22 April for Hawaii and arrived in Guam on 24 April. He is scheduled to arrive on the Chinese mainland on 26 April for a visit. The whole world is attentively watching Reagan's current visit, which is making the Kuomintang in Taiwan nervous.

To conceal its nervousness, the KMT has issued statement saying that "Reagan's visit to the bandit regime will not affect Sino-U.S. relations." Besides talking in this way, the KMT has asked other people to talk in its favor. Senators Goldwater, Sasser, DeConcini, and Murkowski and other Americans who recently visited Taiwan made more or less similar statements.

Goldwater's "Wonderful" Statement

What a "wonderful" statement Goldwater made: "I disapprove of Reagan's visit to Peiping. He should swap the embassy in Peiping with the office in Taipei." Goldwater arrived in Taipei on 14 April and left on 17 April after spending 3 days in Taiwan. The KMT was very pleased with his words because they really touched their hearts.

Murkowski's "Reassurance"

In addition to Goldwater, Sasser and Murkowski also made statements that pleased the KMT. Sasser, Democratic senator from Tennessee, said: "I don't expect that President Reagan's visit to the Chinese mainland will weaken the traditional friendship and close ties between the Republic of China and the United States; I also believe that the United States is obligated and has the duty to continue to assist in the defense of your country's security in accordance with the Taiwan Relations Act." These statements, made by people who arrived in Taipei before Reagan began his visit to the Chinese Communist regime, are really "reassuring" as far as the KMT are concerned.

The Shadow of Nixon

But, perhaps people have not yet forgotten "Nixon's shadow." Nixon emerged in the U.S. political arena as a "communist hunter." He was once boycotted by the liberals because of his ultrarightist statements and actions, but later he learned to be slick and sly. It was he who started the contact between the Chinese Communists and the United States.

Reagan also rose to prominence as a "communist hunter." During his first term of office he has not taken any concrete action to help the KMT except with some nice words. Therefore, the KMT should not rely on his anticommunism. What is worth special attention is that Reagan and Washington's recent super-assurance may signify another American "sellout."

If the KMT could stop Reagan from visiting the Chinese mainland, they would do so by every means, but it is a pity they are unable to change Reagan's mind. As they don't know how to explain this to the people of Taiwan, they invited a number of U.S. senators to come to Taiwan before Reagan's departure and to say something that is unrealistic, but pleasing to the ears of the KMT and something that can even numb the feelings of the people.

Reagan Opposes Communist Russia More Than Communist China

Although Reagan is anticommunist, he opposes Russia more than Communist China. Following the advice of his advisers, Reagan will never give up the opportunity to strengthen ties with the Chinese Communists; and strengthening such ties will inevitably affect unfavorably the relationship between Taipei and Washington.

The Chinese Communists are oppressing the KMT diplomatically all the time, and they will never let such an opportunity slip by, which is giving Reagan a sure win. If Reagan and the Chinese Communists fail to reach any agreement, bilateral relations may retrogress. This will not affect the Chinese Communists very much, but the impact on Reagan will be tremendous because his political enemies will attack him for his failure. This can hurt his prestige and influence the voters. Therefore, the time Reagan has chosen to visit the Chinese Communists, under the prerequisite that he will "can only gain and not lose," is not a good one. If the Chinese Communists take advantage of this weak point of his and play a trick by making known that his "visit may fail," it is hard to guarantee that Reagan will not do something carelessly.

In short, Reagan's visit to the Chinese mainland will surely affect the KMT. Although the effect may not be noticed immediately, it will become clear one day. The KMT is using every means to conceal their nervousness, but "paper cannot cover up fire."

Trip 'Mere Political Show'

OW281137 Taipei LIEN HO PAO in Chinese 25 Apr 84 p 2

[Editorial: "The Outward Statement and Real Intention of Reagan's Visit to the Chinese Mainland"]

[Excerpts] U.S. President Ronald Reagan and his entourage are scheduled to depart Guam today for Peiping on a 6-day visit to the Chinese mainland, where he will hold talks with the Communist Chinese leaders. The visit climaxes 6 months of preparations by the U.S. Government, which has attached greater importance to the visit than Reagan's previous foreign tours.

Why does Reagan attach such importance to his visit to the Chinese mainland? According to his speech in Honolulu at Easter, he believes that the friendship between the United States and Communist China has a great bearing on world peace and he hopes that his trip will help bring about the eventual renunciation of force in the world. In other words, Reagan regards his trip, at least in his speech, as a mission of peace for the whole world -- a mission aimed at emancipating humanity from the danger of war. Thus, without this trip, world peace would be gravely endangered. If that were true, the whole world should pray for its success.

However, in our view, there is no such importance to the United States, Asia or the world. There is not even an objective necessity of making such a trip. Without the trip, world peace would not collapse. By making the trip, Reagan will not necessarily improve world peace. This is evident from the following two points:

1. In the present world, nothing is more important to world peace than the nuclear confrontation between the two superpowers. The visits to the Chinese mainland by two incumbent presidents and one former president of the United States in the past have done little to ameliorate that confrontation. On the contrary, they have aggravated it.
2. Whether Reagan's visit will truly benefit world peace depends on what he discusses and does during the trip. According to his own words, Reagan wants to help open up the mainland market to American products and to serve as an extraordinary salesman in Peiping. Aside from that, he of course will discuss the problem of the Korean peninsula, the Southeast Asian situation, the threat posed by the Soviet Union and world arms control. However, this is not the first time the United States has discussed these issues with the Chinese Communists, nor is Reagan the first person to do so. The talks will not necessarily produce any special results. As to what he will do on the mainland, as far as we know he may sign with the Chinese Communists a tax agreement and an agreement on cultural exchanges, including the participation of Chinese Communist astronauts in U.S. space shuttle research projects. It is uncertain whether the agreements on nuclear energy cooperation and on weapons sales can be formally signed during his trip. Even if they could be signed, they could not be regarded as being of any particular contribution to world peace.

As a matter of fact, Reagan's visit to the Chinese mainland is neither to market American products nor for the grand goal of promoting world peace. It is instead a mere political show for his election campaign. This is a rather regrettable matter. Reagan was originally an anticommunist veteran without much interest in the Chinese Communists. However, just for the sake of his reelection campaign, he was forced by the situation to sacrifice his past stand and faith and did his best to stage a show and approached the Chinese Communists. Everyone knows that his visit is inseparable from this year's American election. That is why he has chosen this particular time to make the visit.

Precisely because Reagan's visit is related to his reelection, he wishes to create as much headline news as possible to raise his prestige and deepen the impression of him in the minds of the American electorate. Accordingly, he will undoubtedly try his best to make the trip fruitful and successful. Even if there is no substantive achievement, he will try to create the false impression that the trip has promoted bilateral relations and to avoid the impression of failure. Therefore it is not difficult to imagine how he will act during the visit to win the Chinese Communists' friendship and support. Thus, although we deeply believe that because of President Reagan's friendship toward us and the democratic supervisory role and strong pressure of the American public that there is absolutely no chance that any harm will come to the Republic of China from the visit, we still cannot but be concerned whether some kind of mistake may be made in the talks as a result of the atmosphere or the deliberate blackmail of the Chinese Communists.

Reagan Will Not Betray Friend

OW281133 Taipei TZU LI WAN PAO in Chinese 25 Apr 84 p 1

[Editorial: "We Believe That President Reagan Will Not Betray and 'Old Friend'"]

[Text] U.S. President Reagan is scheduled to arrive in Peiping tomorrow. Following Nixon and Ford, he is the third U.S. president to visit mainland China to deal with the Chinese Communist regime. President Reagan and the Chinese Communist chieftains will exchange views on relevant issues and may conclude a number of agreements. Our concerns are: Will the visit by this U.S. leader, who is quite friendly to the Republic of China, endanger us? Will he abandon his "old friend"?

In our editorial published early this month, we frankly pointed out that the main objective of Reagan's current Chinese mainland visit was to pursue his long-term tactics of "alliance with the Chinese Communists to contain the Soviet Union" and to gather some more chips to support his reelection campaign; that the Chinese Communists, taking advantage of this weak point of the United States, will try its best to exert pressure on the United States over the "Taiwan issue;" and that, under these circumstances, we would be deceiving ourselves if we were to say his visit would not endanger us. A ROC official has privately told an AFP reporter that the Republic of China is watching President Reagan's 26 April Peiping visit with a worried mind and that the visit itself may be detrimental to the people of Taiwan because it will certainly not raise their morale, but will give a new opportunity to the Chinese Communists to exert pressure on the United States on the "Taiwan issue."

True, President Reagan's personal meeting with the Chinese Communist chieftains in Peiping will harm us instead of benefiting us. As to what degree it will harm us, this will have to be verified by observers. However, we believe that Reagan will not abandon his "old friend," Taiwan, during this trip.

In the past 3 years and more President Reagan has said again and again in his public speeches and statements that he will not abandon old friends (the Republic of China) in order to make new friends (the Chinese Communists), and that he will abide by the Taiwan Relations Act and honor his commitments to Taiwan. As leader of the Free World, Reagan, who cherishes the ideal of taking the transformation of the world as his task, will of course not abandon and sacrifice an old friend, who has been an ally of the United States for a long time, in order to make a new friend who was once its enemy.

But the American people are progressive. Their current political system, democracy, freedom and equality of rights were created in an endless experiment in the course of over 200 years of revolution and life style. The American people regard this as an ideal, and in certain respects the United States is the guardian of this ideal. Recognizing that democracy, freedom and human rights are suppressed in communist countries, President Reagan, addressing the British Parliament last June, made the famous proposal for unfolding a global "democratic movement" "to dump Marxism-Leninism into the ash heap of history." In view of this, we have faith in the American people of the present era, especially the American authorities. Therefore, as the 18 million people on Taiwan are struggling against the Chinese Communists for their democracy, freedom and equality of rights, President Reagan should assist his old friend, the Republic of China on Taiwan, instead of making friends with the despotic dictatorship on the mainland.

President Reagan is scheduled to arrive in Peiping tomorrow to meet with the Chinese Communist chieftains. We know that Reagan's current trip will be harmful to the Republic of China to a certain degree. But, in view of the history of the United States, its founding principles and Reagan's statements over the past 3 years, we firmly believe and hope that this American leader will not sacrifice an "old friend," the Republic of China.

Commentary on Reagan Speech

OW290627 Taipei International Service in English 0100 GMT 29 Apr 84

[Station commentary]

[Text] U.S. President Ronald Reagan gave Communist China a gift, or a dose of poison to the communist regime, in his first public speech after arriving in Peking. His gift consists of three words: Trust the people. If his advice was accepted by the communist leadership, mainland China would become as prosperous as Taiwan. In this sense, his advice is a gift. However, trusting the people would also spell the end of communism. So the chances are Peking would reject his advice as poison. If could be evidenced by the fact that Communist Chinese television deleted the sections of the taped broadcast that President Reagan lectured on the benefits of freedom and capitalism. Says Reagan in his speech at the Great Hall of the People: Trust the people. These three words are not only the heart and soul of American history but the most powerful force for human progress in the world today. Those who ignore this vital truth will condone their countries to fall farther and farther behind in the world's competition for economic leadership in the 1980's and beyond.

The American president also pointed out that the societies that have made the most spectacular progress in the shortest period of time are not the most rigidly organized, nor even the richest in natural resources, but are societies where people have been allowed to create, compete, and build, and where people have been permitted to think for themselves, make economic decisions, and benefit from their own risks. He expressed the obvious to all but the most stupid. They explain why all communist countries and other totalitarian regimes have failed to produce whereas prosperity and happiness prevail in democratic countries practicing free economic system.

Teng Hsiao-ping and his followers also realize this. But they are communists first and reformists second. No communist ruler would trust the people because free thinking is the antithesis of communist dictatorship. The bandits are willing to make some superficial reform to let the people live a little better and to stem the confidence crisis. But they have to insist on their four basic principles to keep the people in tight leash.

U.S. President Reagan has no illusion about the Chinese Communist leadership. He must be aware that his advice would be rejected. He gave it, nevertheless, obviously in the belief that his message would reach the Chinese people on the mainland.

The Republic of China in Taiwan, too, has been telling the mainland Chinese the same thing, only in different language. The message from Taipei says: China will be reunited, but only by Dr Sun Yat-sen's three principles of the people -- mainly, government of the people, by the people, and for the people.

We can believe that President Reagan's message as well as the call from Free China will eventually spread throughout the length and width of the Chinese mainland and will constitute a spiritual juggernaut before the communist system will collapse. In this stance, President Reagan has rendered the Chinese nation a great service.

HU CITES U.S. LACK OF UNDERSTANDING OF CHINA

HK280059 Hong Kong TA KUNG PAO in Chinese 28 Apr 84 p 2

["Special Dispatch": "Hu Yaobang Says Frankly When Meeting Reagan That Certain Americans Still Do Not Understand China Well"]

[Text] Beijing, 27 Apr -- CPC Central Committee General Secretary Hu Yaobang met U.S. President Reagan at 1545 this afternoon. They had a friendly talk about long-term friendly contacts, the easing of international tension, and the preservation of world peace. Hu Yaobang introduced China's foreign policy to Reagan.

Hu Yaobang said: "I have had the opportunity to meet some figures from your country, and they have some ideas on China." He said, I have two views of these reactions and ideas. First, as far as static things are concerned, certain judgments of these figures from your country regarding China are, generally speaking, dependable. Second, as far as dynamic things are concerned, much of what is said and written by certain authoritative figures in your country is not compatible with the conditions in China. Of course, such a state of affairs is very hard to avoid. For instance, many American friends still do not have much understanding of China's foreign policy. I can say that this is the case in at least five respects.

1. They do not have much understanding of the fact that China hopes for a long period of peace. For the sake of a long period of world peace and stability, we have not, do not, and will not agree to power politics.
2. They lack a full understanding of our foreign policy of acting independently and keeping the initiative in our own hands. This policy is not an expediency.
3. They do not understand very well why China firmly stands by the Third World, helps those countries to speak up, and supports and sympathizes with them.
4. They do not have much understanding of our national defense guiding principles. We will never pursue expansionism; this not only applies now; we will tell our posterity this too. Our national defense strength is insufficient, but we are not afraid of aggressors.
5. They do not have much understanding of the fact that we sincerely hope that the United States and the Soviet Union will ease tensions through peaceful negotiations. We are also applying this method in striving for normalization of relations between us and the Soviet Union.

Speaking on the situation on the Korean peninsula, Hu Yaobang said, first, we hope that the situation there can be stabilized over a long time. Second, we are in favor of achieving the peaceful reunification of North and South Korea in the form of a confederation. Hu Yaobang also said that we are not in favor of the guiding principle of your country, in particular your country's stationing of troops in South Korea.

When the meeting was about to end, President Reagan invited General Secretary Hu Yaobang to visit the United States. Hu Yaobang said: "I would like to have contacts with the great American people. The time of the visit will be decided through diplomatic channels. I hope that before my visit, the friendly relations between China and the United States can press ahead further. This is my desire."

EDITORIAL NOTES REAGAN 'CONDESCENSION' TOWARD PRC

HK280251 Hong Kong HONG KONG STANDARD in English 28 Apr 84 p 6

[Editorial: "More Equality Please, Mr Reagan and Less Condescension"]

[Text] In his 90-minute meeting with Mr Reagan, Chinese Premier Zhao Ziyang met the first requirement of leadership, which is candour. Coming straight to the point, Mr Zhao said China hoped that the U.S. would cease its deployment of intermediate-range missiles in Europe. He also called on Washington to "respect the aspirations of the Arab countries and people and recognise the lawful rights of the Palestinian people." For his part, Mr Reagan made a fair attempt at satisfying the second requirement of leadership, which is courage to propose the unpopular and, if necessary, to change one's mind.

Parts of the U.S. President's speech must have been highly unpopular with certain members of his own right-wing constituency. And his conciliatory stance certainly represented a 180-degree turnaround from the days when he -- along with millions of his compatriots -- refused to recognise the very existence of China. "I have not come to China to hold forth on what divides us, but to build on what binds us," declared the man who once used such phrases as "godless red devils" to describe his current hosts. "I have not come to dwell on a closed-door past, but to urge the Americans and Chinese to look to the future, because, together, we can and will make tomorrow a better day..." So far so good. But although Mr Reagan displayed candour and courage, he nevertheless misfired in his attempt to rally Chinese support for certain aspects of his foreign policy. His difficulties were both philosophical and personal. Philosophically, there is too much in the Reagan foreign policy approach that is unattractive to China. On the personal level, events seemed to have cast Mr Reagan in an awkward political and intellectual role: that of a homespun conservative trying to be a world statesman.

Nobody could possibly not want to see good Sino-American relations. But Mr Reagan's rather patronising missionary approach to the subject was decidedly out of place. Mr Reagan is a guest in China and his lecturing of the host was gauche, if not galling.

Sino-U.S. ties were founded in 1972 and consolidated in 1979 on the basis of equality. Perhaps the most significant point about the preparations for this meeting was the apparent eagerness of the Chinese leadership to receive Mr Reagan -- even though his attitude has in the past been anything but friendly towards Beijing.

Through numerous contacts with foreign delegations in recent months, Beijing's leaders have indicated that they recognise the United States as a stabilising influence around the Asian periphery, an effective counterforce against the designs of the Soviet Union to strengthen its Asian presence. Beijing's powerful elder statesman Deng Xiaoping left the clear impression with some recent visitors that his government would give the American guest face by not pressing the Taiwan arms sales issue at this time. When Mr Zhao was in Washington last autumn, he was most cordial, not wishing to embarrass Mr Reagan in any way. The trouble is that Chinese courtesy and courtliness have not rubbed off on Mr Reagan. The U.S. President's sense of timing may be perfect for the American public. But it must be dreadfully grating for the Chinese leadership. China may not possess high technology. But the Chinese people have wisdom.

The redeemed Chinese pride, achieved at such great human expense, should not be slighted by Mr Reagan. Washington seems to forget that the revolution has changed the once obsequious Chinese into a confident Chinese. The days when China cadged for American aid were over the moment the Chinese civil war ended.

If Mr Reagan wants to cement Sino-U.S. friendship -- the avowed purpose of his mission -- he should make this homage a happy and truly historic occasion. The truth should dawn on Mr Reagan that the U.S. is no longer the sole source of the hi-tech which China hankers for. The fact is that America is competing with Western Europe and Japan to sell technology to China. It's true that the United States has a better record in its past dealings with Beijing than some of its competitors. There is nothing as distasteful to China in its past relationship with Washington as, for example, Britain's record of occupying Chinese territory and appointing its own magistrates, etc. And we're sure that China's geriatric leaders still have bitter memories of Japan's brutal past behaviour in their country. The Chinese were wary of the West, and for a good reason: the past horrors of exploitation and humiliation are not forgotten. It was these horrors, along with other factors, which fanned the revolution. Mr. Reagan needs to learn what the late General Joe Stillwell learnt about the character and traditions of the Chinese before he tries to foist his views on a people whose legacy in diplomacy goes back 3,000 years.

The Chinese and American people have a duty to the world to become closer and better friends, with each side aware of the other's different and unique society. Beijing does not have to strive blindly to achieve American-style democracy.

China is communist because the U.S.-Supported Nationalists of the 1940's betrayed their promise and wasted their aid. Had the U.S. of Roosevelt and Truman shown more wisdom and perseverance in persuading Chiang Kai-shek to fight the Japanese army and not the Eighth Route Army, Mr Reagan might indeed be visiting a capitalist China -- to be dutifully fawned on by officials schooled in feudal Chinese hospitality.

If Mr Reagan wants to advance the ties beyond the expedient -- and not altogether enduring -- goal of containing the Soviet Union, he must be more sensitive to the Chinese experience instead of offering two armfuls of condescension.

ZHAO ZIYANG, REAGAN DISCUSS TAIWAN, RELATIONS

HK280414 Hong Kong TA KUNG PAO in Chinese 28 Apr 84 p 2

["Political Talk" column by Shih Chun-yu: "Zhao Ziyang Again Raises the Taiwan Issue"]

[Text] Reagan Says That He Will Strictly Observe the Three Communiques

At the summit talks between Zhao Ziyang and Reagan yesterday, Zhao Ziyang again raised the Taiwan issue. He pointed out that Sino-American relations are in an initial stage and that to steadily and consistently develop these relations, both sides should make painstaking efforts. The way to correctly handle the Taiwan issue is to strictly observe the three communiques signed by China and the United States.

Reagan said that the United States will observe the three communiques signed by China and the United States. He said that the Taiwan issue is an issue China will solve by itself and that the United States has no intention of interfering in this affair. But he hoped that this issue will be solved by peaceful means.

Both Sides Have Clear-Cut Stands

Both sides expressed clear-cut stands. But in the past, while dealing with specific problems, why did they have differences? The U.S. Congress formulated the "Taiwan Relations Act." China maintained that the United States was creating "one China, one Taiwan" and that it was interfering in China's internal affairs. China hoped that the United States would abolish this law.

In addition, the United States put many obstacles in the way of transferring high technology to China. Regarding trade, the United States imposed restrictions on the imports of textiles from China. As a result, some unhappy things occurred.

The Pro-Taiwan Force in the United States

Before and after Zhao Ziyang's visit to the United States in January this year there was a turn for the better in the situation. The United States treated China as a nonaligned country, and both sides concluded a compromise agreement on the textile problem. However, the "Taiwan Relations Act" is still an obstacle to the development of Sino-American relations. We should not overlook the pro-Taiwan force in the United States, which includes the "Taiwan lobby" in the Congress. Prior to Reagan's visit to China, Goldwater, a well-known pro-Taiwan congressman, went to Taiwan and consoled the Taiwan authorities. People like him are opposed to improving Sino-American relations.

Undoubtedly, Reagan himself is a very conservative political figure in the United States. After he assumed office, in view of U.S. interests and the world strategic situation, he considered that China was an important country in the Asian-Pacific region and that there would be broad prospects for Sino-American economic exchanges. Therefore, there has been some development in Sino-American relations over the past 3 years since he assumed office.

The Content of Reagan's Speech Is Rich

His current visit to China will enable him to increase his perception of China and to learn more about China.

Some words in his speech delivered to China's economic and scientific personnel at the Great Hall of the People merit attention. He pointed out: "China is progressing on a new road. The United States hopes that it will have the opportunity of advancing side with China." He spoke highly of China's open-door policy. He said: "Please allow me to guarantee to you today that the door of the United States is also open for you!"

This shows that Reagan already sees the new changes brought about by the practical line formulated by the third plenary session. China is not a terrifying, "communist aggressor" country. China wants peace and wants to energetically develop its economy and improve the people's livelihood, which is also the common wish of the Third World.

China has a population of 1 billion people. It is really a market full of potential and rich in resources. It is carrying out the open-door policy in the hope of developing economic exchanges with other countries on a mutual basis. It will never threaten other countries. This is known throughout the world. Of course, Reagan also sees this point. He said: "The United States and China are faced with a historical opportunity. We can expand our economic and scientific cooperation and strengthen the ties between the people of the two countries. We have a broad scope in which to cooperate." This viewpoint is correct.

EDITORIAL VIEWS RESULTS OF PRC-U.S. NUCLEAR PACT

HK280740 Hong Kong WEN WEI PO in Chinese 28 Apr 84 p 2

[Editorial: "China and the United States Reach an Agreement on Nuclear Energy Cooperation"]

[Text] China and the United States have reached an agreement on the peaceful use of nuclear energy, and on 30 April the two countries will initial an agreement on cooperation in the peaceful use of nuclear energy. This is a major development in Sino-U.S. cooperation in the peaceful use of nuclear energy. Motivated by a desire to cooperate, both sides finally reached a settlement which violates neither China's sovereignty nor U.S. law. This agreement will open up broad prospects for Sino-U.S. cooperation in the peaceful use of nuclear energy.

Since 1981, China and the United States have been negotiating on how to conclude an agreement on nuclear energy cooperation. According to the agreement, U.S. nuclear energy corporations will provide China with 12 nuclear reactors worth between \$20 and \$25 billion.

This agreement has been under negotiation since 1981. The problem which caused differences was that the United States wanted to carry out on-site inspection. It maintained that this was required by U.S. law, which stipulates that countries which buy U.S. nuclear reactors can only process the nuclear fuels in the reactors with the approval of the United States, so as to guarantee that the processed nuclear fuels will not be used in the military field, that is, will not be used for manufacturing nuclear bombs and atom bombs. The Chinese side maintained that this was a matter involving state sovereignty, so it refused this demand.

In the course of the negotiations, China joined an international atomic energy organization. This is good for China in carrying out nuclear technological exchanges in the international field. China must abide by the stipulations of the "International Atomic Energy Committee" in exporting nuclear power. During his visit to the United States in January this year, Premier Zhao Ziyang said: "We will not carry out nuclear proliferation, nor will we help other countries manufacture nuclear weapons." This clearly shows that China will not carry out nuclear proliferation. The U.S. authorities maintained that "this is a step which merits appreciation" and that the obstacle to Sino-American nuclear cooperation had been removed, as China had provided a guarantee.

With regard to the on-site inspection, the stands of both sides were given consideration. The agreement stipulates that "it is necessary for both sides to carry out discussions and exchange data and to inspect fuels, facilities, and components so as to guarantee that the agreement will be implemented on a limited basis."

Richard Kennedy, a responsible person for U.S. nuclear affairs, visited Beijing last week and discussed with the Chinese side the problem of nuclear cooperation between the two countries. An understanding was reached and essential progress was made in the 3-year-long negotiations on concluding an agreement on nuclear cooperation.

This agreement will provide a legal basis for the United States in selling nuclear reactors, components, nuclear fuels, and nuclear technology to China. The agreement stipulates that the two countries can exchange data and technology, but it also stipulates that the United States is responsible for transferring sensitive nuclear technology and facilities, such as factories for reprocessing and enriching uranium.

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It was disclosed that the agreement embraces the restrictions by U.S. law on nuclear fuels and facilities, but that Chinese sovereignty will not be infringed upon. Thus, through negotiations, differences were resolved.

It is predictable that this agreement will provide large business transactions for the U.S. nuclear industry. This is beneficial to the United States. On the part of China, nuclear power stations are beginning to take shape, and a group of nuclear stations will be put into operation by the end of this century. The nuclear reactors provided by the United States will be of great help to the construction of China's nuclear power stations. Sino-U.S. nuclear cooperation will have an important bearing on the realization of China's strategic aim.

DENG EXPRESSES OPTIMISM OVER HONG KONG ISSUE

HK290103 Hong Kong TA KUNG PAO in Chinese 29 Apr 84 p 1

["Special Dispatch": "Deng Xiaoping Optimistic Over Hong Kong Issue"]

[Text] Beijing, 28 Apr -- Central Advisory Commission Chairman Deng Xiaoping mentioned the Hong Kong issue when meeting U.S. President Reagan today. According to a U.S. official, Deng Xiaoping stated that the Hong Kong issue can soon be solved, and he was optimistic about the matter.

The official said that Deng Xiaoping added that the method of solving the Hong Kong issue could provide a pattern for solving other problems.

According to our information, Deng Xiaoping did not say much about Hong Kong, and Reagan made no comment.

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